

Document No. 4853
1/8/87

RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY

RE: TENTATIVE DESIGNATION OF BRICKLAYERS AND LABORERS
NON-PROFIT HOUSING CORPORATION
DISPOSITION PARCEL 4A1
IN THE CHARLESTOWN URBAN RENEWAL AREA
PROJECT NO. MASS. R-55

WHEREAS, the Boston Redevelopment Authority, (hereinafter referred to as the "Authority"), has entered into a contract for loan and capital grant with the Federal Government under Title 1 of the Housing Act of 1949, as amended, which contract provides for financial assistance in the hereinafter identified Project; and

WHEREAS, the Urban Renewal Plan for the Charlestown Urban Renewal Area, Project No. Mass. R-55, (hereinafter referred to as the "Project Area"), has been duly reviewed and approved in full compliance with local, State and Federal law; and

WHEREAS, the Authority is cognizant of the conditions that are imposed in the undertaking and carrying out of urban renewal projects with Federal financial assistance under said Title 1, including those prohibiting discrimination because of race, color, sex, religion or national origin; and

WHEREAS, the Bricklayers and Laborers Non-Profit Housing Corporation has expressed an interest in and has submitted a satisfactory proposal for the development of Disposition Parcel 4A1 in the Charlestown Urban Renewal Area; and

WHEREAS, the Authority is cognizant of Chapter 30, Sections 61 through 62H of the Massachusetts General Law, as amended, with respect to minimizing and preventing damage to the environment:

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY

1. That Bricklayers and Laborers Non-Profit Housing Corporation be and hereby is tentatively designated as Redeveloper of Disposition Parcel 4A1 in the Charlestown Urban Renewal Area subject to:

- (a) Concurrence in the proposed disposal transaction by the Department of Housing and Urban Development;
- (b) Publication of all public disclosure and issuance of all approvals required by the Massachusetts General Laws Title 1 of the Housing Acts of 1949, as amended;
- (c) Submission within ninety (90) days in a form satisfactory to the Authority of:
 - (i) Evidence of the availability of necessary equity funds, as needed; and
 - (ii) Evidence of firm financial commitments from banks or other lending institutions; and

(iii) Final Working Drawings and Specifications;
and

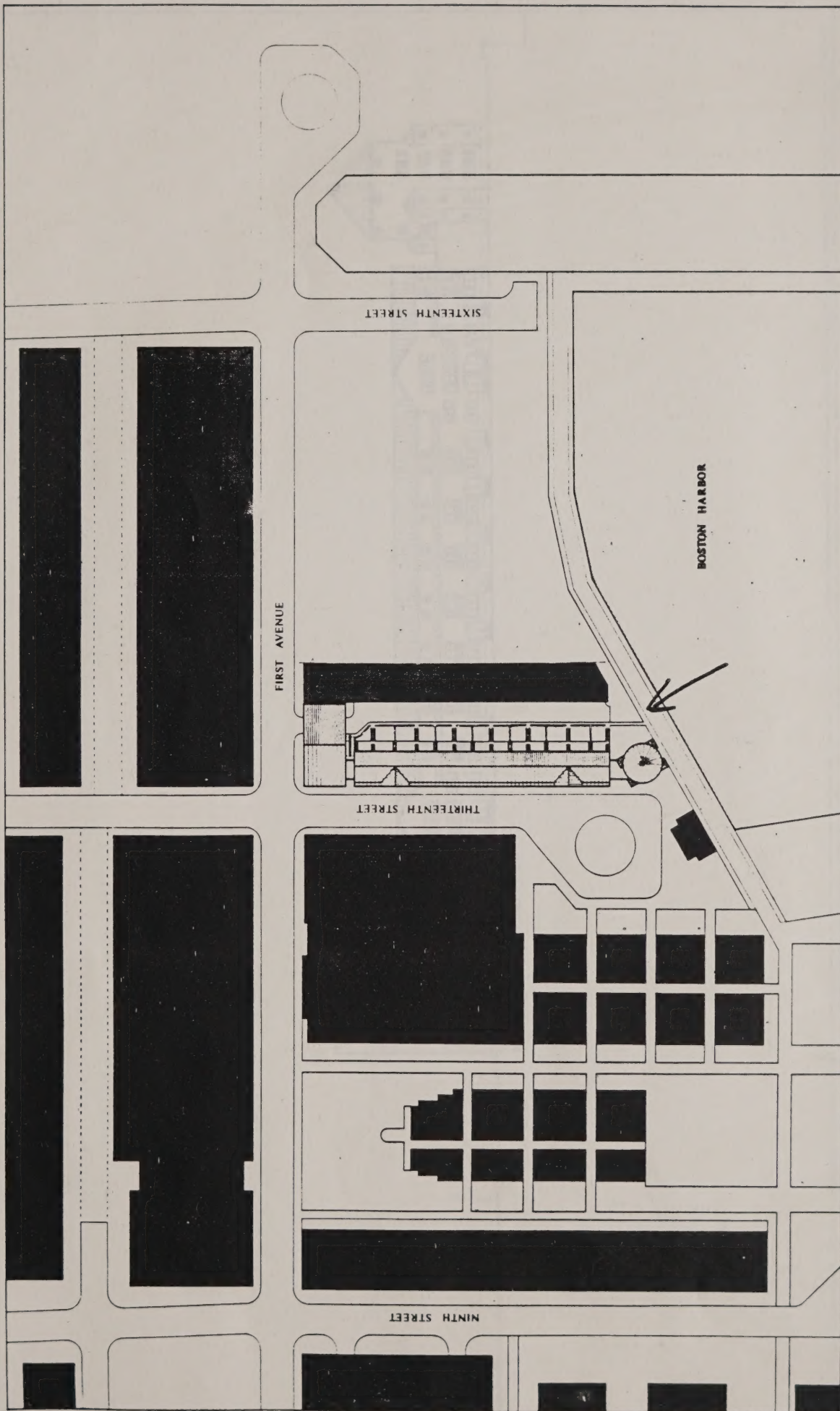
(iv) Proposed development and rental schedule.

2. That disposal of Parcel 4A1 by negotiation is the appropriate method of making the land available for redevelopment and that the Director be and hereby is authorized to execute a Land Disposition Agreement with the developer with regard to this parcel.

3. That it is hereby found and determined that the proposed development will not result in significant damage to or impairment of the environment and further, that all practicable feasible means and measures have been taken and are being utilized to avoid or minimize damage to the environment.

4. That the developer be and hereby is authorized to petition the Board of Appeals for any zoning changes that may be necessary to complete the proposed development.

5. That the Secretary is hereby authorized and directed to publish notice of the proposed disposal transaction in accordance with Section 105(E) of the Housing Act of 1949, as amended, including information with respect to the "Redeveloper's Statement for Public Disclosure" (Federal Form H-6004).





THIRTEENTH STREET ELEVATION

WILLIAM RAWN ASSOCIATES, Architects
101 Tremont Street
Boston, MA
617 473 3470

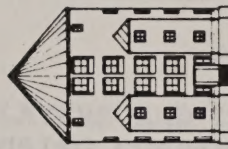
CHARLESTOWN NAVY YARD
"ROWHOUSES"
BRICKLAYERS AND LABORERS
NON-PROFIT HOUSING COMPANY INC.
IMMORILIARE NEW ENGLAND

ELEVATIONS
0 10 20 30

5 DEC. 1986



FIRST AVENUE ELEVATION

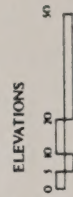


HARBOR ELEVATION

WILLIAM RAWN ASSOCIATES Architects
 101 Tremont Street Boston, MA
 617 423 3470

CHARLESTOWN NAVY YARD
 ROWHOUSES

BRICKLAYERS AND LABORERS
 NON PROFIT HOUSING COMPANY INC.
 IMMOBILIARE NEW ENGLAND



Document No. 48537
1/8/87

PURCHASE AND SALE AGREEMENT

BETWEEN

BOSTON REDEVELOPMENT AUTHORITY, SELLER

AND

**BRICKLAYERS AND LABORERS NON-PROFIT
HOUSING COMPANY, INC., BUYER**

AND

IMMOBILIARE NEW ENGLAND

DATED: JANUARY , 1987

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PURCHASE AND SALE AGREEMENT

AGREEMENT made this day of January, 1987, by and between the Boston Redevelopment Authority, a body politic and corporate organized under the laws of the Commonwealth of Massachusetts (hereinafter alternately referred to as the "BRA" or the "Seller"); Immobiliare New England, A Limited Partnership (hereinafter referred to as "Immobiliare"), a Massachusetts limited partnership, RCC International, Inc., a Massachusetts corporation, general partner; and Bricklayers and Laborers Non-Profit Housing Company, Inc., a Massachusetts non-profit corporation (hereinafter alternately referred to as "BLNHC" or "Buyer").

RECITALS

WHEREAS, the BRA and Immobiliare are parties to a certain Land Disposition Agreement dated December 7, 1978, and amended July 12, 1984, (hereinafter the "LDA") pursuant to which Immobiliare is designated as developer of a certain parcel of land known as the Charlestown Navy Yard located in the Charlestown district of Boston, Suffolk County, Massachusetts (referred to in the LDA as the "Navy Yard") and described on a plan attached to the LDA as Exhibit A, true copy of which is attached to this Agreement as Exhibit A; and

WHEREAS, Immobiliare is obliged under the LDA to develop moderate income housing as part of its development of the Navy Yard; and

WHEREAS, BLNHC is a non-profit corporation engaged in the development of moderate income housing and has recently completed the construction, marketing and sale of an 18-unit condominium complex consisting of townhouse units sold to moderate income families located between Dorchester Street, Rogers Street and Preble Street in the South Boston district of Boston, Suffolk County, Massachusetts, and known as Andrew Square Rowhouses Condominium (hereinafter "Andrew Square Project"); and

WHEREAS, the parties seek to incorporate moderate income housing in the development of the Navy Yard as soon as possible and are agreed that BLNHC is a developer well suited and able to accomplish this goal;

WHEREAS, the BRA designated BLNHC as developer of approximately 49 units of moderate income housing at the Navy Yard by vote taken June 12, 1986, and December 18, 1986, a true copy of which is attached hereto as Exhibit B; and

WHEREAS, BLNHC has developed a basic design for development of the Property (as hereafter defined) as shown on the plans of William Rawn Associates, Architects, listed on Exhibit D

(hereinafter the plans listed on Exhibit D and any amendments made to them pursuant to this agreement are collectively referred to as the "Plans").

NOW, THEREFORE, in consideration of the mutual obligations herein contained and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Property Description.** Seller agrees to sell and Buyer agrees to buy, upon the terms and conditions hereinafter set forth, the real property, together with all improvements thereon consisting of approximately 26,295 square feet located at the southeasterly corner of the intersection of First Avenue and Thirteenth Street in the Charlestown section of Boston, Suffolk County, Massachusetts, as shown on the sketch attached hereto as Exhibit C (hereinafter the "Property"), being a portion of Parcel 4A as shown on Exhibit A. The Property is a portion of the premises conveyed to the Seller by deed dated May 21, 1979, and recorded with Suffolk Registry of Deeds in Book 9182 Page 165.

2. **Buildings, Structures, Improvements and Fixtures.** Included in the sale as part of the Property are the buildings, structures and improvements now thereon, if any, and the fixtures belonging to the Seller and used in connection therewith, if any.

3. **Title and Deed.**

3.1 The Property is to be conveyed by a good and sufficient Massachusetts quitclaim deed running to the Buyer, or to the nominee designated by the Buyer by written notice to the Seller at least seven days before the deed is to be delivered as provided herein, and said deed shall convey good and clear record, marketable and insurable title thereto, free from encumbrances, except

a. Provisions of existing building and zoning laws pertaining to the development of the Property pursuant to the Plans;

b. Any easements, restrictions, rights-of-way, agreements and reservations of record, if any there be, insofar as the same may be in force and effect, which do not impair the marketability and insurability of title and do not impair the use of the premises for the purposes contemplated by the Plans;

c. A restriction to be stated in Seller's deed limiting alterations or additions to the exterior of the improvements to be constructed on the Property by Buyer according to the Plans after their completion (as indicated by a recordable certificate of completion to be issued by Seller) to alterations and additions approved in writing by the BRA; and

d. Covenants to be contained in Seller's deed whereby Buyer, its successors and assigns, covenant that it shall:

i. Use the Property only for and in accordance with the purpose contemplated by the Plans and this agreement;

ii. Give preference in the selection of purchasers for the dwelling units to be built on the Property because of clearance and redevelopment activity, and second, to other heads of households displaced from the Charlestown Urban Renewal Area by clearance and redevelopment activity or by other governmental activities, who desire to occupy such dwelling units and will be able to pay prices equal to prices charged other families for similar or comparable units built as part of the improvements; and

iii. Not discriminate upon the basis of race, color, sex, religion or national origin in the sale, lease or rental or in the use or occupancy of the Property or any improvements erected or to be erected thereon, or any part thereof.

3.2 As conveyed to Buyer, the Property shall have the benefit of the following easements:

a. a permanent easement over the Yard Easement Area shown on Exhibit C for perpetual exclusive use by the owners of the Property of the surface of said area for residential backyard purposes; and

b. a temporary easement over the Parking Easement Area shown on Exhibit C for the benefit of owners of the Property to use the surface of said area for the purpose of parking approximately 27 motor vehicles. Such easement shall exist until such time as Immobiliare completes construction of a permanent parking facility serving the Property, as provided in Paragraph 31.

3.3 Immobiliare shall deliver to Buyer at the time established hereunder for delivery of Seller's deed to Buyer a partial release of the Property from the mortgage from Seller to Immobiliare dated May 24, 1979, and recorded in Suffolk Registry of Deeds Book 9182 Page 213. No consideration beyond the mutual promises and obligations stated in this Agreement shall be required by Immobiliare for delivery of said partial release.

3.4 As used in this Agreement, "marketable title" shall constitute title having a status acceptable to Buyer's construction lender for which standard ALTA mortgagee's title insurance can be issued in a form acceptable to said lender at normal insurance premium rates.

4. **No Assignment.** If the Buyer makes an assignment of its rights under this Agreement, the Seller at its option may declare

the Seller's obligations hereunder to be null and void and may deem the Buyer to be in default of its obligations hereunder. The designation of a title nominee pursuant to the foregoing paragraph shall not be deemed an assignment by the Buyer within the meaning of this Paragraph. Further, the Buyer shall have the right to assign this Agreement to a corporation or limited partnership in which Buyer retains a controlling interest (as majority stockholder or as general partner).

5. **Subdivision Plan.** The parties acknowledge that establishment of the Property as a legally described and defined parcel will require the preparation of a recordable survey of the Property. Buyer shall cause such a survey to be prepared at Buyer's expense. Seller shall use a legal description in Seller's deed which conforms to the survey plan so prepared and shall refer to the recordation of such survey plan with the deed.

6. **Purchase Price.** The agreed purchase price for the Property is \$1.00, which shall be paid at the time of delivery of the deed in cash, or by certified, cashier's, treasurer's or bank check.

7. **Time for Performance; Delivery of Deed.** Such deed shall be delivered at the offices of the Seller on a date and at a time to be established by at least seven days prior written notice from BLNHC to Immobiliare and Seller that all conditions precedent to closing listed in the following paragraph have occurred or are waived by Buyer, and stating the date and time for closing. In the event that Buyer is unable to close before October 31, 1987, this Agreement shall on that date become null and void, without recourse to the parties hereto.

8. **Conditions Precedent to Closing.** Buyer's obligations hereunder are contingent upon the occurrence to Buyer's sole satisfaction of the following events or conditions prior to the time for delivery of the deed hereunder:

a. Buyer obtaining a firm written commitment for 100 percent construction financing from USTrust Company. Said commitment shall be for an amount equal to the full proceeds of sale available from sale of the Units at the Sales Prices (see Paragraph 21). It shall provide for interest only payable during construction and until six months after substantial completion at a fixed rate of interest of no more than 10 percent per annum.

b. Buyer obtaining all licenses, permits, variances, and approvals it deems necessary to develop the Property in the manner described herein. Buyer shall not be obliged to perform pursuant to this Subparagraph until after the elapsing of any appeal period applicable to a particular license, permit, variance or approval, without any appeal having been taken therefrom, or, if an appeal occurs, the final settlement or adjudication of any such appeal.

c. Approval of Buyer's plans, specifications and

designs by Seller in accordance with Seller's applicable design guidelines and the requirements of the historical district in which the Property lies. -

d. Completion of an engineering study of the Property by an engineer acceptable to Buyer's lender and showing the property to be free of conditions or history which indicate the possibility of a lien existing or arising under Massachusetts General Laws Chapter 21E. The expense for such study shall be borne by Buyer.

e. Completion of a recordable survey in form satisfactory to Buyer (see Paragraph 5).

f. Issuance of a final unconditional building permit by the City of Boston for improvement of the Property according to the Plans.

9. **Possession and Condition of Premises.** Full possession of the Property free of all tenants and occupants shall be delivered by Seller to Buyer at the time of the delivery of the deed, the Property to be then (a) in the same condition as they now are, reasonable use, wear and tear excepted, (b) not in violation of applicable building and zoning laws for Buyer's proposed use, and (c) in compliance with the provisions of any instrument referred to in Paragraph 3 hereof. The Buyer shall be entitled to an inspection of the Property prior to the delivery of the deed in order to determine whether the condition thereof complies with the terms of this Paragraph.

10. **Extension to Perfect Title or Make Premises Conform.** If the Seller shall be unable to give title or make conveyance, or to deliver possession of the Property, all as herein stipulated, or if at the time of the delivery of the deed the Property does not conform with the provisions hereof, then the Seller shall use reasonable efforts to remove any defects in title, or to deliver possession as provided herein, or to make the Property conform to the provisions hereof, as the case may be, in which event the time for performance hereof shall be extended for a period of 30 days. If at the expiration of the extended time for performance the Seller shall have failed so to remove any defects in title, deliver possession or make the premises conform, as the case may be, all as herein agreed, or if at any time during the period of this Agreement or any extension thereof, the holder of a mortgage on the Property shall refuse to permit the insurance proceeds, if any, to be used for such purposes, then, at the Buyer's option, any payments made by Buyer under this Agreement shall be forthwith refunded and all other obligations of the parties hereto shall cease and this Agreement shall be void without recourse to the parties hereto.

11. **Buyers Election to Accept Title.** The Buyer shall have the election, at either the original or any extended time for performance, to accept such title as the Seller can deliver to the Property in its then condition and to pay therefore the purchase price without deduction, in which case the Seller shall

convey such title, except that in event of such conveyance in accord with provisions of this Paragraph, if the Property shall have been damaged by fire or casualty insured against, the Seller shall, unless the Seller has previously restored the Property to its former condition, pay over or assign to the Buyer, on delivery of the deed, all amounts recovered or recoverable on account of such insurance, less any amounts reasonably expended by the Seller for any partial restoration. In the event that such insurance proceeds exist for the benefit of Immobiliare instead of Seller, Immobiliare shall make such assignment at the time for performance hereunder.

12. **Acceptance of Deed.** The acceptance of a deed by the Buyer, or his nominee, as the case may be, shall be deemed to be a full performance and discharge of every agreement and obligation herein contained or expressed, except such as are, by the terms hereof to be performed after or to survive the delivery of said deed.

13. **Adjustments and Real Estate Taxes.** The Seller warrants to the Buyer that there are not now, nor shall there be at closing, any fees, charges, assessments or taxes to be apportioned at closing, including without limitation, water charges, sewer use charges, betterments assessments, Navy Yard common area fees, fees assessed against developers pursuant to the LDA, or real estate taxes. Buyer agrees to make a payment at closing in lieu of real estate taxes pursuant to Massachusetts General Laws Chapter 44, Section 63A.

14. **Buyer's Default; Damages.** Seller and Immobiliare acknowledge that Buyer is making no deposit hereunder. In the event that Buyer defaults or is unable to perform under this Agreement (for reasons other than failure of a condition precedent to closing), Seller and Immobiliare waive all remedies against BLNHC at law or in equity, unless such default or failure to perform arises from intentional misrepresentations or misconduct on the part of Buyer, and except as provided in this paragraph.

14.1 **Consequence of Breach by Buyer With Respect to Commencement and Completion of Construction or Unauthorized Transfers of Interest.** If, after delivery of title to Buyer and prior to completion of the Project, the Buyer shall fail to perform its obligations under this Agreement with respect to commencement, diligent prosecution, or completion of construction of Improvements, or there is in violation of Paragraph 4 of this Agreement a transfer of the Property or any part thereof or a change in the ownership or control of or interests in the Buyer, the BRA shall in writing notify the Buyer of such failure or violation. The Buyer shall thereupon have ninety (90) days from the receipt by it of such written notice to cure such failure or violation.

a. If the Buyer does not cure such failure or violation within the 90-day period (or within such extended period of time as may be established by the BRA acting

solely in its discretion) and if the holders of record of building loan agreements and/or first mortgages in replacement thereof do not exercise their rights to cure such violation or failure (as provided in Paragraph 14.3 hereof), the Buyer shall promptly transfer possession of, and reconvey, the Property together with all of the Improvements thereon, to the BRA without cost to the BRA, by Quitclaim Deed, provided that such reconveyance (1) shall be subject to any existing building loan agreements and mortgages thereon permitted under this Agreement, and (2) shall not include any parcels with respect to which a Certificate of Completion has been issued. If the Buyer shall fail so to reconvey, the BRA may institute such actions or proceedings as it may deem advisable to compel specific performance.

b. If the Buyer or a mortgagee reconveys to the BRA, the BRA shall undertake with due diligence to resell the Property so reconveyed or which it has so re-entered, and the Improvements thereon, subject to all of the provisions of the Plans; and the proceeds of such resale, together with the net income, if any, derived by the BRA from its operation and management of the Property subsequent to such reconveyance shall be used:

First: To reimburse the BRA for all costs and expenses reasonably and proximately incurred by the BRA, including the salaries of BRA personnel, in connection with the recapture, management and resale of the Property and all administrative and overhead costs in connection therewith;

Next: To reimburse the BRA for expenditures made or obligations incurred with respect to the making or completion of improvements on or for the Property for which it has not otherwise been reimbursed;

Next: To pay all taxes, payments in lieu of taxes, public charges and other sums owing to the City of Boston with respect to the Property up to the time of such resale (or in the event the Property is exempt from taxation during the period of ownership thereof by the BRA, an amount equal to such taxes as would have been payable if the Property were not so exempt); and

Finally:

1. In their respective order of priority to pay any and all mortgage indebtedness authorized by this Agreement and to make all and whatever payments may be necessary to discharge any other encumbrances or liens existing or threatened on the Property, in favor of mechanics, materialmen or subcontractors;

2. To pay or reimburse the BRA for any amounts otherwise owing to the BRA from the Buyer;
3. If there is any balance of proceeds remaining, to use the balance of the proceeds to reimburse the Buyer for and up to the amount expended by it in the purchase and improvement of the Property less any profit theretofore realized by the Buyer from the disposition of any interest in the Property or in any individual part or parcel thereof, and any income realized by the Buyer from its use of the Property or such part or parcel; and
4. Any balance remaining shall remain the property of the BRA.

14.2 **Notices of Breaches to Mortgages.** If the BRA gives written notice to the Buyer of a default under this Agreement, the BRA shall forthwith furnish a copy of the notice to each of the mortgagees of record of the Property permitted under this Agreement. To facilitate the operation of this Paragraph, the Buyer shall at all times keep the BRA provided with an up-to-date list of names and addresses of mortgagees and holders of building loan agreements from whom the Buyer has obtained loans as permitted under this Agreement. Any such mortgagee or holder may notify the BRA of its address and request that notices be sent to it. The BRA agrees to comply with any such request.

14.3 **Mortgagee May Cure Breach of Buyer.** If the Buyer has received notice from the BRA of a default under this Agreement and such breach is not cured by the Buyer before the expiration of the period provided therefor, the holders of record of building loan agreements or mortgages on the Property as permitted under this Agreement may cure any such breach upon giving written notice of their intention to do so to the BRA within ninety (90) days after such holder receives such notice of breach, and shall thereupon proceed with due diligence to cure such breach.

15. **Liability of Trustee or Officer.** If any party executes this Agreement in a representative or fiduciary capacity, only the principal or the estate represented shall be bound, and no individual so executing, nor any shareholder or beneficiary of any trust, shall be personally liable for obligations, express or implied, hereunder.

16. **Insurance.**

16.1 **Insurance Before Closing.** The Buyer agrees to maintain in full force, until a deed is delivered and recorded, a policy of comprehensive public liability insurance, insuring against all claims for injury to or death of persons or damage to property on or about the Property or arising out of the maintenance or use of the Property by Buyer or Buyer's agents. The minimum limits of liability for such insurance shall be bodily injury and property damage combined \$1,000,000 per occurrence and in the aggregate.

Such insurance shall name the Buyer, the Seller, and Immobiliare as insured. The insurance provided for herein shall be effective at such time or times as Buyer, its agents or employees enter the Property. Such additional insureds as may be reasonably requested by Seller or Immobiliare shall be added by Buyer, provided that any added premium arising from such additional insureds shall be paid by the party requesting their addition.

16.2 Insurance During Construction. Until completion of construction pursuant to the Plans, the Buyer shall keep all of the insurable property and equipment in respect of the Property insured by fire and extended insurance and additional risk insurance to the same extent and amount which is normally required by institutional mortgagees in the use of similar property and equipment in the City of Boston. Such insurance shall be in an amount sufficient to comply with the co-insurance clause applicable to the location and character of the property or equipment, and, in any event, in amounts not less than eighty percent (80%) (or 80% in the case of extended coverage insurance) of the current cash value of such property or equipment. All such insurance shall be by standard policies, obtained from financially sound and responsible insurance companies authorized to do business in Massachusetts, and shall have attached thereto a clause making the loss payable to the Buyer, its mortgagee, and, subject to the rights of the mortgagee, the BRA and Immobiliare as their respective interests may appear.

16.3 Effective Dates of Insurance. Each insurance policy shall be written to become effective at the time the Buyer becomes subject to the risk or hazard covered thereby, and shall be continued in full force and effect for such period as the Buyer is subject to such risk or hazard.

16.4 Certificates of Insurance. Certificates of such policies and renewals shall be filed with the BRA.

17. License to Enter Property. Buyer has been granted a license authorizing Buyer to enter the Property to do site preparation, excavation and activities preparatory to construction. Buyer agrees to indemnify and hold BRA and Immobiliare harmless from claims or liability arising as a result of Buyer's activities on the Property under said license.

18. Development of the Property. Buyer agrees to develop the Property with approximately 49 residential condominium units (individually, the "Units" and collectively, the "Project") having a design generally similar to the design used in the Andrew Square Project as shown on the Plans. The Buyer agrees to substantially complete development of the Property by no later than the expiration of 18 months following delivery of the deed to Buyer.

19. Design of the Project. Design and specifications for the Project will be prepared by Buyer's architect, William Rawn Associates. Buyer shall submit the Plans to Seller for review pursuant to BRA's design review procedure, a copy of which is

attached hereto as Exhibit F. Buyer and Seller agree to keep Immobiliare informed of the progress of the design and design review process by supplying Immobiliare with copies of plans, drawings and specifications as they are prepared. Review of the Plans shall impose no responsibility or liability upon BRA or Immobiliare, except for payment of additional costs caused by BRA-requested design changes, as stated in Exhibit E.

20. **Resale Restrictions.** Buyer agrees to submit the Project to the provisions and restrictions of Massachusetts General Laws Chapter 183A before sale of any Unit. The recorded documents creating such condominium shall contain re-sale price restrictions and leasing restrictions similar to those contained in the BRA draft "Covenant for Affordable Housing" dated November 10, 1986 (a copy is attached as Exhibit H). BRA and BLNHC agree to cooperate in revising such restrictions to comply with any applicable requirements imposed by the secondary mortgage market for the Unit purchase money mortgages.

21. **Marketing and Sale of Units.** Buyer agrees to market the Units city-wide at the following prices:

<u>Unit Size</u>	<u>Price</u>
1 Bedroom	\$77,400
2 Bedroom	79,900
2-1/2 Bedroom	83,100
3 Bedroom	87,600
4 Bedroom	88,900

(collectively, the "Sales Prices"). Marketing will be conducted by city-wide publicity and distribution of applications to prospective purchasers, which applications shall require disclosure of financial information by purchasers designed to enable Seller to determine the likelihood of each buyer complying with the requirements and restrictions of the Massachusetts Housing Finance Authority ("MHFA") for moderate-income subsidized mortgages. Applications meeting minimal requirements will be placed into pools for selection of final purchasers by lottery. At least 30 percent of all Units shall be allocated to purchasers from outside the Charlestown district of Boston, and no more than 70 percent of the Units shall be allocated to current residents of Charlestown, subject to the rights of displaced persons complying with the requirements of Paragraph 3.1(d)(ii) and with the income and other restrictions applied to all other prospective purchasers. Units allocated to displaced persons shall reduce first the pool of Units otherwise available to current residents of Charlestown.

22. **Estoppel Certificate.** Seller agrees at any time, and from time to time, upon not less than ten (10) business days' prior written notice by the Buyer requesting the same, to execute, acknowledge and deliver to the Buyer and to Buyer's lender, a statement in writing, certifying that the LDA no longer applies to the Property (see Paragraph 30).

23. Non-Discrimination; Employment; No Conflicts.

23.1 Buyer, for itself and all successors and assigns, agrees that in the development of the Property and in all construction activity undertaken with respect thereto:

a. Buyer will not discriminate against any employee or applicant for employment because of race, color, sex, religion, age or national origin. Buyer shall take affirmative action to ensure that applicants are employed, and that employees are treated during their employment without regard to race, color, sex, religion, age or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or compensation and selection for training, including apprenticeship. Buyer agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

b. Buyer will, in all solicitations or advertisements for employees placed by or on behalf of Buyer, state all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age or national origin.

c. Buyer will send to each labor union or representative of workers with which Buyer has a collective bargaining agreement or other contract or understanding, if any, a notice to be provided, advising the said labor union or workers' representative of Buyer's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d. Buyer will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, and the rules, regulations and relevant orders of the Secretary of Labor.

e. Buyer will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, and by the rules, regulations and orders of the Secretary of Labor pursuant thereto, and will permit access to Buyer's books, records and accounts by the Seller, the Secretary of Housing and Urban Development, and the Secretary of Labor, for purposes of investigation to ascertain compliance with such rules, regulations and orders.

f. Buyer will include the provisions of paragraph a. through f. of this Section 23.1 in every contract or purchase order, and will require the inclusion of these

provisions in every subcontract entered into by any of its contractors, unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967, so that such provisions will be binding upon each such contractors, subcontractor or vendor as the case may be. Buyer will take such action with respect to any construction contract, subcontract or purchase order as the Seller directs as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event Buyer becomes involved in or is threatened with litigation with a subcontractor or vendor as a result of such direction by the Seller, Buyer may request the United States to enter into such litigation to protect the interest of the United States.

23.2 Buyer, for itself and all successors and assigns, agrees that in the development of the Property and the Project and in all construction activity undertaken with respect thereto, Buyer shall require that its contractors and subcontractors employ personnel in a manner to ensure that on a craft by craft basis, the following standards are met: (1) at least 50 percent of the total employee workerhours in each trade shall be by bona fide Boston residents, (2) at least 25 percent of the total employee workerhours in each trade shall be by minority persons, and (3) at least 10 percent of the total employee workerhours in each trade shall be women. (Workerhours shall include work performed by persons filling apprenticeship and on-the-job training positions.) To that end:

a. Buyer shall incorporate in every general construction contract or construction management agreement an enumeration of the foregoing worker hour goals and shall impose a responsibility upon the contractor to pursue the efforts enumerated in this Section 23.2 and to incorporate such worker hour goals in all subcontracts and impose upon all subcontractors the obligation to pursue such efforts;

b. Every contractor and every subcontractor shall maintain records of efforts to achieve worker hour goals set forth herein;

c. Each request for qualified construction workers made by any person involved in the construction of the Project to a union hiring hall or business agency shall contain a recitation of such worker hour goals and a request that qualified referees for construction positions on the Project be selected in the same proportion as such goals; provided, however, that if at the time of such manning request the requesting party's workforce composition falls short of any one or more of such goals, such manning request shall seek qualified referrals in such proportion among such categories as would be necessary to more fully achieve such goals. In the event that the union hiring hall or business agent to which or to whom such a manning request has been

submitted fails to comply with such request, the affirmative action officer of such requesting party shall seek to verify that insufficient workers in the categories specified in such request are then shown on the unemployed list maintained by such union hiring hall or business agent by seeking to obtain an affidavit from the union hiring hall representative or business agent to such effect. Copies of any affidavit so obtained shall be forwarded to the affirmative action officer of the Seller;

d. All persons applying directly to the contractor, or subcontractor for employment in construction on the Project who are not employed by the party to whom application is made will be referred to the affirmative action officer of the Seller and a written record of such referral shall be made, a copy of which shall be sent to such officer; and

e. Buyer, contractor and every subcontractor shall each maintain records reasonably necessary to ascertain compliance with the requirements of this Paragraph for at least one year after the issuance of the Certificate of Completion and will make the same available for inspection by the Seller upon reasonable notice.

23.3 Buyer, for itself and all successors and assigns, further agrees that in the development of Property, Buyer shall comply with the City of Boston Mayor's Executive Order "Encouraging Minority Business Enterprise" dated June 28, 1978 effective July 1, 1978.

23.4 Buyer, for itself and all successors and assigns, further agrees to comply with the City's policy of equal access to housing as contained in City of Boston Ordinances of 1982 Chapter 10 (the ordinance which created the Boston Fair Housing Commission).

23.5 No member of the Congress of the United States of America shall be admitted to any share or part thereof, or to any benefit to arise from this Agreement. No member, official or employee of the Seller shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interest or the interests of any corporation, partnership or association which he directly or indirectly holds an interest as that term is defined in M.G.L. c. 268A.

23.6 Buyer presently intends to have no direct employees who work on construction of the Project. Rather, all work will be done by employees of contractors and subcontractors. Buyer therefore intends to comply with the requirements of Paragraph 23 by requiring that all contractors and subcontractors comply with it. Seller affirms that this procedure will be sufficient to satisfy the requirements of Paragraph 23 as they apply to Buyer itself.

24. **Certificate of Completion.** When the improvements by Buyer, made in accordance with the provisions of the Agreement, have been built and are substantially ready for occupancy, the Seller shall issue to the Buyer a certificate of completion for the Property, which shall be in recordable form, and which shall constitute conclusive evidence of the fact that the improvements have been completed in compliance with this Agreement and that submission of the Property as improved to the provisions of Massachusetts General Laws Chapter 183A is approved.

25. **Immobiliare/BLNHC Cooperation.** Immobiliare and BLNHC acknowledge that a number of aspects of the work preparatory to development of the Property and of the balance of Parcel 4A (which will be conveyed to Immobiliare by the Seller pursuant to the LDA) are similar, and efficiency and cost saving may be accomplished by their cooperation on such matters. Areas where cooperation may be possible include, without limitation, title examination, survey preparation, MGL Chapter 21E engineering study, and geological engineering studies. BLNHC and Immobiliare agree to cooperate as fully as possible to obtain services and studies on a cooperative basis. However, it shall be within the sole discretion of BLNHC to elect to do any study or undertake any review or permit process independently of Immobiliare, if the best interests of the Project as determined by BLNHC will be served by such independent activity.

26. **Notice.** All notices, demands, requests, consents, approvals and other instruments required or permitted to be given pursuant to the terms of this Agreement shall be in writing, and shall be deemed to have been properly given if delivered by hand or sent by registered or certified United States mail, postage prepaid, return receipt requested, and

if directed to the BRA, addressed to it:

c/o Director
Boston Redevelopment Authority
Boston City Hall, 9th Floor
Boston, MA 02201

with a copy to:

Chief General Counsel
Boston Redevelopment Authority
Boston City Hall, 9th Floor
Boston, MA 02201

if directed to Immobiliare, addressed to it:

Deborah A. O'Malley, Esq.
c/o Raymond Cattle Company, Inc.
306 Dartmouth Street
Boston, MA 02116

with a copy to:

Russ V. V. Bradley, Esq.
Sullivan & Worcester
One Post Office Square
Boston, MA 02109

if directed to BLNHC, addressed to it:
c/o Mr. Thomas J. McIntyre, President
Two Park Plaza, Room 312
Boston, MA 02116

with a copy to:
Valerie Swett, Esq.
Deutsch, Williams, Brooks, DeRensis, Holland
& Drachman, P.C.
One Liberty Square, 10th Floor
Boston, MA 02109

or such other address as may from time to time be specified in writing by any party hereto. Unless otherwise specified in writing, each party shall direct all sums payable to another party to said party's address for notice purposes.

27. **Budget and Funding.** BLNHC represents and reasonably believes that it could construct the Project at a cost permitting sale of the Units without subsidy at the Sales Prices. However, special characteristics of the Property will result in design and construction costs in excess of proceeds provided by the Sales Prices, due to extraordinary expenses for permits, design requirements of the BRA and the historical district in which the Property is located, and site conditions. Consequently, BLNHC predicts that development and construction of the Project according to the Plans will cost a total of \$4,569,671 as indicated on the budget attached hereto as Exhibit E. Gross development expense will exceed the proceeds available from sales of the Units at the Sales Prices by \$636,971 plus \$230,013 for BRA-requested design changes as indicated in Exhibit E for a total of \$866,984 (collectively the "Subsidy Amount"). Immobiliare hereby agrees to supply the Subsidy Amount. \$120,000 was previously paid to BLNHC on October 16, 1986. The balance shall be paid into the Escrow Fund established pursuant to the following paragraph according to its terms. Payment by Immobiliare of the Subsidy Amount shall constitute a payment in lieu of a portion of the payments due from Immobiliare to the BRA pursuant to the LDA and a separate agreement between BRA and Immobiliare.

28. **Escrow Agreement.** Within 30 days of the signing of this Agreement, the parties agree to prepare an Escrow Agreement which is mutually satisfactory to them, and to USTrust Company. The Escrow Agreement shall, among other provisions, provide as follows:

a. The portion of the Subsidy Amount to be held in escrow as indicated in the foregoing paragraph (the "Escrow Fund") shall be deposited by Immobiliare with USTrust Company as Escrowee upon the signing of the Escrow Agreement. Deposits shall be made as funds come into Immobiliare's possession which are payable to BRA, except that, in any event, Immobiliare shall make deposits to the Escrow Fund so that at all times the total which Immobiliare has so deposited bears the same ratio to the principal which

BLNHC has drawn from its construction loan plus the total Immobiliare deposits as the Subsidy Amount bears to the total development cost of the project. In other words, assuming no BRA requested-design changes other than those stated in Exhibit E,

Immobiliare Total Deposits	866,984
Immob. Total Deposits + Principal Drawn =	4,569,671 = .18973

b. Escrowee shall disburse the Escrow Fund to or for the benefit of BLNHC for expenses pertaining to construction of the Project according to the budget appearing on Exhibit E.

c. Disbursements shall be made by the Escrowee from the Escrow Fund according to procedures and criteria normally used by USTrust Company in connection with disbursement of construction loan funds and for the purposes stated in the budget in Exhibit E.

d. Interest earned on the Escrow Fund while it is deposited with the Escrowee, if any, shall accrue to BLNHC.

e. Immobiliare and BRA shall be entitled to, upon request at reasonable intervals, an accounting of expenditures made from the Escrow Fund. However, neither Immobiliare, BRA, nor any other party shall be entitled to review or veto expenditures made from the Escrow Fund, but shall rely upon Escrowee's reasonable judgment in application of the procedures and criteria for disbursement contained in the Escrow Agreement.

f. Any principal or accrued interest contained in the Escrow Fund following payment of all expenses pertaining to construction of the Project plus the overhead items referred to in Exhibit D, shall be returned to the BRA for use consistent with the requirements of the LDA for payments made by Immobiliare to the BRA.

g. If transfer of title to Buyer does not occur due to any cause other than Buyer's intentional misrepresentations or misconduct, any sums expended from or accrued against the Subsidy Amount prior to cancellation shall not be contested by either BRA or Immobiliare; provided that such expenditures are made for items appearing on the Project budget. If cancellation occurs, all work product purchased with the expended portion of the Subsidy Amount and pertinent to the Project may be used by the BRA.

29. **Enforcement of Immobiliare Obligations.** In the event that Immobiliare shall fail for any reason to make any payment to BLNHC and/or the Escrow Fund required under this Agreement, BLNHC shall give written notice of such failure to BRA and Immobiliare. If Immobiliare does not cure such failure within ten (10) days of the giving of such notice, BRA shall forthwith supply BLNHC and/or the Escrow Fund, as the case may be, with a sum of money

equal to the sum then due from Immobiliare. Upon the making of such payment, BRA shall be subrogated to all rights and claims which BLNHC may have hereunder against Immobiliare for payment of said sum. Such rights of subrogation shall be in addition to and cumulative with all remedies BRA may have against Immobiliare pursuant to this Agreement, the LDA, and any applicable law or regulation.

30. **Release from LDA.** By executing this Agreement, Immobiliare waives and releases any and all rights it has under the LDA or otherwise to conveyance of the Property from BRA to Immobiliare. BRA hereby confirms its consent to transfer by Immobiliare of its rights to the Property as originally authorized by vote of the BRA attached hereto as Exhibit B. In addition, BRA affirms that no consideration, other than that stated in this Agreement, will be required from BLNHC or its successors in title to the Property for purchase or use of the Property as long as the Property is subject to affordable housing restrictions similar to those appearing in Exhibit H. In particular, BRA shall assess no charges against BLNHC or its successors which are in the nature of payments in lieu of real estate taxes (except as provided in Paragraph 13 hereof), maintenance fees, common area fees, fees for conveyance of the Units, or developer fees. It is the intention of the parties that the only municipal assessments for which BLNHC and its successors will be responsible after transfer of title are real estate taxes and betterments assessments, if any. BRA also affirms that the Property is not and will not become subject to the agreement between BRA and Immobiliare regarding real property taxes on the balance of the Navy Yard (sometimes referred to as the "Chapter 121A Agreement").

31. **Creation of Parking by Immobiliare.** Immobiliare assents to the creation of easements for parking and yards benefitting the Property as described in Paragraph 3 of this Agreement. The intention of the parties is that at all times following substantial completion of the Project, there shall be one parking space available to each Unit (the "Number of Spaces").

31.1 Parking Prior to Construction. Prior to commencement of construction on the balance of Parcel 4A and after substantial completion of the Project, Immobiliare shall permit owners of the Units to park on a portion of Parcel 4A reasonably accessible to the Project and satisfactory to BRA. The space provided shall be sufficient such that the spaces available on the Parking Easement Area plus the other parking shall total the Number of Spaces.

31.2 Parking During Construction. During the period that construction is occurring on the balance of Parcel 4A and after substantial completion of the Project, Immobiliare shall provide BLNHC or its successors in title with at least the Number of Spaces located off the Property or Parcel 4A at the Building 199 garage or other comparable parking space reasonably satisfactory to the BRA in a location reasonably accessible from the Units for residential parking purposes.

31.3 Parking After Construction. After completion of construction on the balance of Parcel 4A, Immobiliare or its successors shall construct and maintain permanent indoor or outdoor parking for the benefit of the Property, which parking shall be located on the balance of Parcel 4A and shall be in a number equal to at least the Number of Spaces. Immobiliare hereby agrees to the following conditions and restrictions, which shall be stated in any deed from BRA to Immobiliare for the balance of Parcel 4A, or any portion thereof:

a. No longer than eighteen (18) months shall elapse between the original displacement of the Unit owners from the parking provided pursuant to Paragraph 31.1 and opening of the permanent parking facility for regular use by the Unit owners, unless delay is due to acts of God or other circumstances outside Immobiliare's control.

b. No parking space may be sold, let, rented or otherwise disposed of by a Unit owner. Any space not used by the Unit owner to whom it is assigned shall be subject to temporary assignment to another Unit owner by the condominium unit owners association managing the Property.

c. No Unit owner shall be charged for the use of a permanent parking space except at the lower of the following rates:

i. Twenty-five percent (25%) of the cost of operating said space (determined by dividing the cost of operating the entire facility of which the space is a part by the number of spaces contained therein); or

ii. Twenty-five dollars (\$25.00) per month, adjusted in proportion to changes in the cost of living, measured by the same index used for adjustments to permitted Unit resale prices pursuant to Exhibit H, or similar restrictions to be applied to the Property.

d. In the event that the Property ceases to be subject to affordable housing restrictions similar to those contained in Exhibit H, the restrictions on changes for parking stated in the foregoing subparagraph shall cease to apply.

e. In the event that Immobiliare so elects, it may provide permanent parking spaces serving the Property in a location and by a mechanism approved by the BRA for transfer of the responsibility for maintenance and control of said parking to the condominium unit owners association managing the Property. In such event, there shall be no change for such parking by Immobiliare or its successors to any Unit owners or the condominium association managing the Property.

Except as provided in this Paragraph 31.3, construction and provision of both temporary and permanent parking shall be done

solely at Immobiliare's expense without any charge to BLNHC, or its successors in title, for construction, rental or maintenance of said parking.

32. **Affordable Housing Obligation and Development of the Balance of Parcel 4A.** BRA acknowledges that construction of the Project will be credited against Immobiliare's affordable housing obligation and that Immobiliare reasonably believes that development of the balance of Parcel 4A as diminished by conveyance of the Property to BLNHC will be economically viable only if Immobiliare is able to develop said balance of Parcel 4A with no less than 384 residential condominium units to be sold at market rates and having a mix of size and type similar to that of residential condominium units constructed or to be constructed by Immobiliare throughout the Navy Yard. BRA and Immobiliare agree to cooperate on the design and approval of improvements for the balance of Parcel 4A such that Immobiliare will be able to construct not less than 384 units, and in connection therewith to amend the LDA as necessary.

33. **Representations and Warranties.** The parties hereto each represent and warrant as follows with respect to themselves (which representations shall continue to be true at the time for performance hereunder):

a. The execution hereof and the performance of the obligations herein described and any acts which may be reasonably necessary or appropriate to accomplish the purposes set forth herein, have been duly authorized by each of the respective parties.

b. This Agreement and the agreements to be executed pursuant hereto are or will be upon execution the duly executed, legal and binding obligation of each of the respective parties, enforceable in accordance with their terms except as the same may be limited by bankruptcy, insolvency and similar laws affecting the rights of creditors generally.

c. This Agreement the agreements to be executed pursuant hereto are not in conflict with any joint venture agreement, charter, statutory authority or any indenture agreement or other instrument to which any party hereunder is a party or by which any party hereunder is bound.

d. Except as specifically set forth herein, no consent, approval, authorization of, funding by or registration with, any federal, state or local governmental authority is required in connection with the execution and delivery hereof, or the performance of any obligations hereunder, by any party hereto.

34. **Construction of Agreement.** This Agreement, executed in triplicate, is to be construed as a Massachusetts contract; is to take effect as a sealed instrument; sets forth the entire contract between the parties; is binding upon and enures to the

benefit of the parties hereto and their respective heirs, devisees, executors, administrators, successors and assigns; and may be cancelled, modified or amended only by a written instrument executed by Seller, Buyer and Immobiliare. The captions to paragraphs as used only as a matter of convenience and are not to be considered a part of this Agreement or to be used in determining the intent of the parties to it.

35. **Exhibits.** Exhibits A through H, inclusive, attached hereto are incorporated herein by reference.

36. **Provisions to Survive Delivery of Deed.** The terms and conditions contained in Paragraphs 14, 16, 17, 18 and 20 through 36 inclusive of this Agreement, together with all exhibits hereto, shall continue in full force and effect following delivery of a deed for the Property from Seller to Buyer.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day first above written.

BRA and SELLER

Boston Redevelopment Authority

By: _____
Stephen Coyle, Director

IMMOBILIARE NEW ENGLAND,
A Limited Partnership

RCC International, Inc.
General Partner

By: _____
President

BLNHC and BUYER

Bricklayers and Laborers Non-Profit
Housing Company, Inc.

By: _____
Thomas J. McIntyre, President

By: _____
Patrick Walsh, Treasurer

APPROVED AS TO FORM:

General Counsel to Boston
Redevelopment Authority

LIST OF EXHIBITS

- A. Navy Yard Plan (Duplicate of Exhibit A to the LDA)
- B. BRA Vote authorizing transfer of Immobiliare's rights to BLNHC and designating BLNHC as developer of the Property (B-1 June 12, 1986 Vote; B-2 December 18, 1986 Vote)
- C. Sketch of the Property
- D. Plans
- E. Construction Budget
- F. BRA Design Review Procedures
- G. (Intentionally Deleted)
- H. BRA Draft Covenant for Affordable Housing

Division 1	General Conditions	\$215,750
Division 2	Site Preparation	250,124
Division 3	Concrete	213,790
Division 4	Roofing	245,433
Division 5	Metals	83,230
Division 6	Wood & Plastics	300,091
Division 7	Mechanical & Thermal Protection	77,787
Division 8	Doors, Windows, Glass	153,740
Division 9	Finishes	613,875
Division 10	Specialties	8,320
Division 11	Equipment	44,803
Division 12	Furnishings	12,135
Division 13	Telecom	
Division 14	Conveying Systems	45,000
Division 15	Mechanical	197,360
Division 16	Electrical	262,300

TOTAL Materials Cost
for 47 units: \$1,250,010

Contractor's Overhead & Profit 33 157,002

Contingency (including
Developer's Overhead) 33 120,497

TOTAL Construction Cost
for 47 units: \$1,527,509

Average Construction Cost/Unit 32,499

Projected Construction Cost
for 47 units: \$1,527,509

EXHIBIT E

Attached to Purchase and Sale Agreement Between Boston Redevelopment Authority, Bricklayers and Laborers Non-Profit Housing Company, Inc., and Immobiliare New England, A Limited Partnership.

Construction Budget For
Construction of the Project According
to the Plans Listed on Exhibit D
(Data for 45 Units)

Division 1	General Conditions	\$217,550
Division 2	Site & Preparation	291,126
Division 3	Concrete	313,798
Division 4	Masonry	649,423
Division 5	Metals	83,230
Division 6	Wood & Plastics	200,081
Division 7	Moisture & Thermal Protection	77,797
Division 8	Doors, Windows, Glass	193,640
Division 9	Finishes	613,885
Division 10	Specialties	8,550
Division 11	Equipment	66,825
Division 12	Furnishings	73,125
Division 13	Deleted	
Division 14	Conveying Systems	65,000
Division 15	Mechanical	193,500
Division 16	Electrical	202,500
		=====
TOTAL Materials Cost (45 units)		\$3,250,030
Contractors' Overhead & Profit 6%		195,002
Contingency (including Developer's Overhead) 4%		150,498
		=====
TOTAL Construction Cost (45 units)		\$3,595,530
Average Construction Cost/Unit		\$79,900
Projected Construction Cost for 49 units		\$3,915,100

Non-Construction Costs
Development of 49 Units

Architect	\$225,000
Lawyers Fees	59,344
& Related Costs (title insurance, transfer tax, condominium tax, recording fees)	42,024
Professional Fees (accountant)	15,000
Building Permits	40,000
Site Eng., Soils Testing, concrete testing, etc.	33,500
Insurance (Builders Risk & Liability)	13,098
Marketing	9,000
Bank Fees & Interest (5% of total)	217,605
	=====
TOTAL Non-Construction Costs	\$654,571
	=====
TOTAL Development Cost	\$4,569,671
Projected Proceeds of Unit Sales (see attached sheet)	3,932,700
	=====
Subsidy Amount for Construction per Plans listed on Exhibit D	\$636,971
Average Subsidy/Unit	\$13,000
	=====

BRA - Requested Design Changes

BRA has requested, and may request in the future, certain changes in the BLNHC design shown on the Plans listed in Exhibit D. In the event that such requested changes result in increased development cost for the Project, BLNHC shall notify BRA of the estimated additional cost of a change. If BRA approves such additional cost, the entire development cost attributable to the design change shall be added to the Subsidy Amount. BLNHC shall be required to make design changes at BRA's request which increase the development cost of the Project if, and only if, BRA agrees to pay the entire development cost attributable to the change.

The BRA-requested design changes presently contemplated are listed below. The changes for which costs are listed are hereby approved as changes at the additional costs listed. (All costs listed include overhead and profit.)

Artificial Slate Roofing (Increment over Asphalt Shingles)	\$26,193
Granite Veneer on Building 1 (Elevator building on First Avenue) (increment over brick)	192,082
Copper Roof on Building 2 (Circular building nearest to water) (increment over asphalt shingles)	12,038
Possible "Tot Lot"	Unknown
Possible Arcade Walkway along First Avenue	Unknown* =====
TOTAL Known Changes	\$230,313

* Cost of this change would be in lost sales proceeds due to a loss of units without entirely compensating decrease in development cost.

Bricklayers and Laborers Non-Profit
Housing Company, Inc.
Navy Yard Project

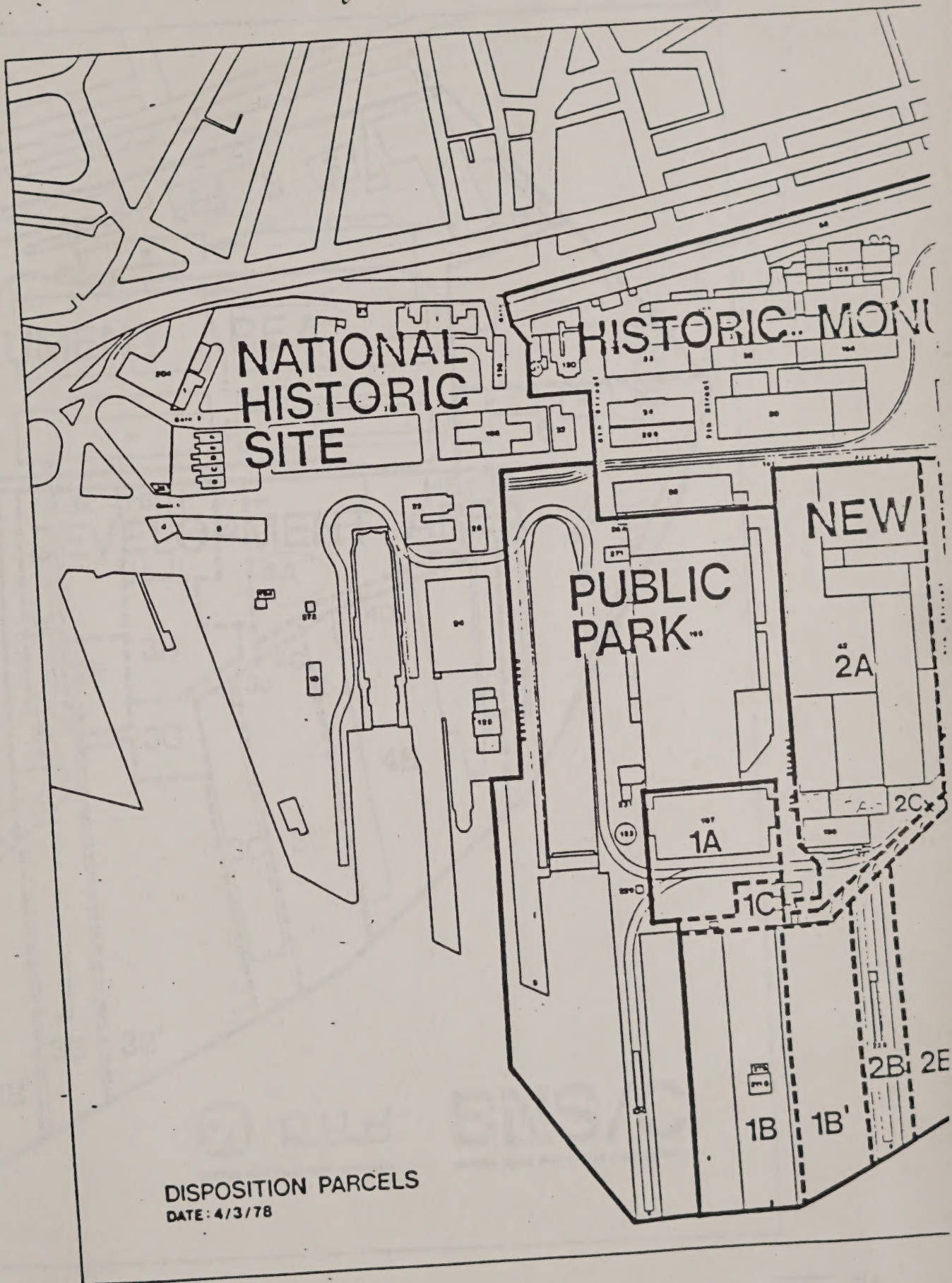
Projected Proceeds From
Unit Sales

<u>Unit Size</u>	<u>No. of Units</u>	<u>Unit Price</u>	<u>Total Proceeds</u>
1 BR*	24	\$77,400	\$1,857,600
2 BR	10	79,900	799,000
2-1/2 BR	9	83,100	747,900
3 BR	4	87,600	350,400
4 BR	2	88,900	177,800
	==		=====
TOTALS	49		\$3,932,700

* "BR" = bedroom

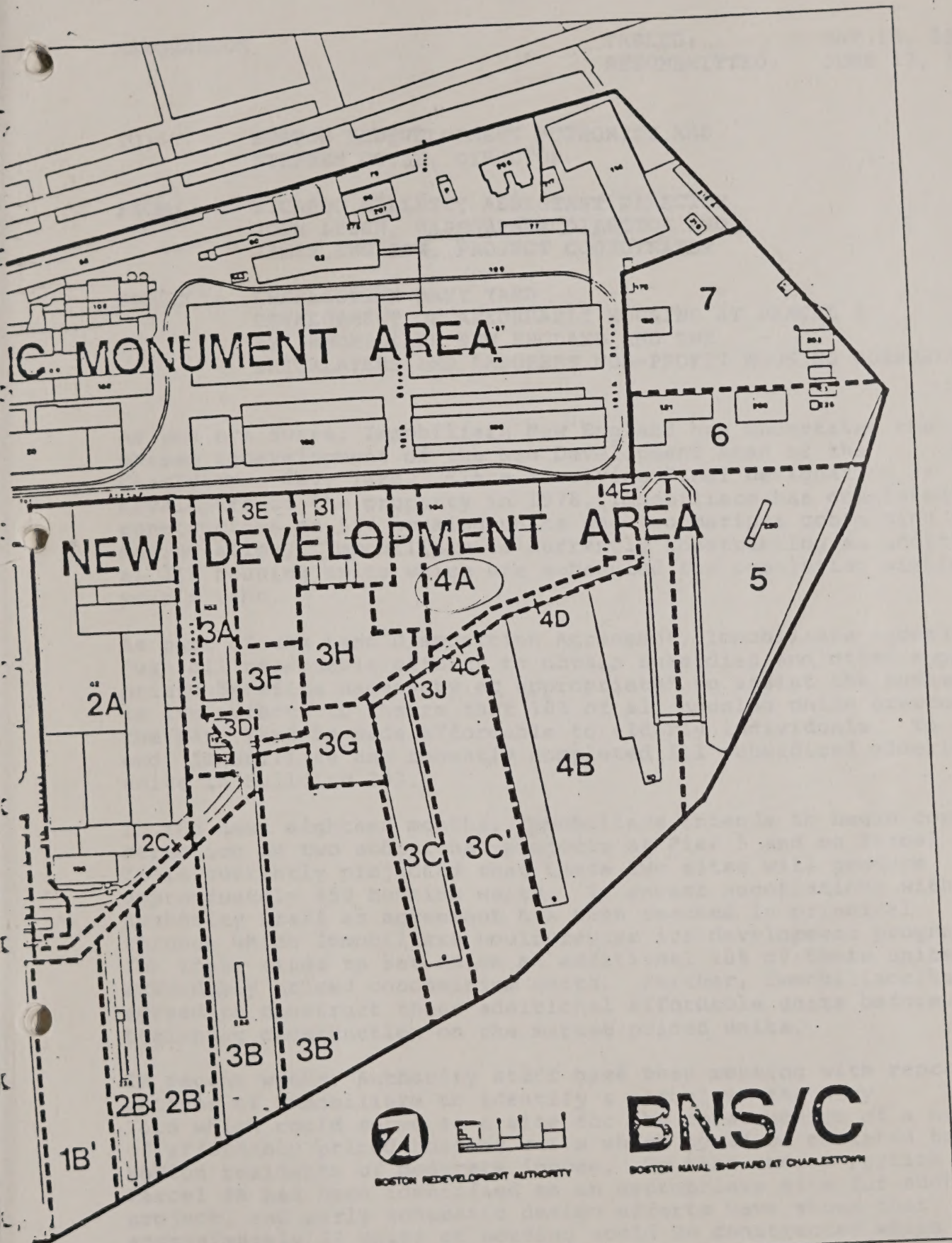
LF/0 'McClay 9/24/78

EXHIBIT A



DISPOSITION PARCELS
DATE: 4/3/78

EXHIBIT A(1)



MEMORANDUM

TABLED: MAY 15, 1986
RESUBMITTED: JUNE 12, 1986

TO: BOSTON REDEVELOPMENT AUTHORITY AND
STEPHEN COYLE, DIRECTOR

FROM: RICARDO MILLETT, ASSISTANT DIRECTOR
JOHN LEIGH, HARBORPARK DIRECTOR AND
JAMES ENGLISH, PROJECT COORDINATOR

SUBJECT: CHARLESTOWN NAVY YARD
DEVELOPMENT OF AFFORDABLE HOUSING AT PARCEL 4A
BY IMMOBILIARE NEW ENGLAND AND THE
BRICKLAYERS AND LABORERS NON-PROFIT HOUSING CORPORATION

As you are aware, Immobiliare New England has undertaken the phased redevelopment of the New Development Area of the Charlestown Navy Yard. Since receiving Final Designation as developers of the property in 1978, Immobiliare has completed construction on 524 housing units and two marinas containing 350 marine slips. Immobiliare is currently constructing an additional 216 housing units which are scheduled for completion within a year's time.

As part of the Land Disposition Agreement, Immobiliare agreed to "use all reasonable efforts to obtain subsidies and other appropriate benefits necessary or appropriate" to assist the Authority in its efforts to insure that 10% of all housing units created in the Navy Yard be made affordable to elderly individuals. To that end, Immobiliare has recently completed 111 subsidized elderly units in Building 103.

In the next eighteen months, Immobiliare intends to begin construction on two additional projects at Pier 5 and on Parcel 4A. It is currently projected that these two sites will produce approximately 450 housing units. In recent negotiations with Authority staff an agreement has been reached in principal through which Immobiliare would revise its development program for these sites to set aside an additional 10% of these units as affordably priced condominium units. Further, Immobiliare has agreed to construct these additional affordable units before beginning construction on the market priced units.

In recent weeks, Authority staff have been meeting with representatives of Immobiliare to identify a parcel in the Navy Yard which could serve as a site for the construction of a number of affordably priced housing units which could be marketed to Boston residents of moderate income. To that end, a portion of Parcel 4A has been identified as an appropriate site for such a project, and early schematic design efforts have shown that approximately 39 units of housing could be constructed which

would front on Thirteenth Street and which would occupy one of the most attractive sites in the Navy Yard.

The Land Disposition Agreement executed December 7, 1978, as amended on July 12, 1984, identifies Parcel 4A in the New Development Area as the Midrise and Townhouse Site and grants Immobiliare the right to construct approximately 384 housing units and associated parking on the site subject to the approval by the Authority of the design and development plans of the developer.

In furtherance of this goal, Immobiliare intends to form a joint venture partnership with the Bricklayers and Laborers Non-Profit Housing Corporation, a group experienced in the production of affordable, attractive housing in Boston. The "marriage" of these two entities, it is anticipated, will result in the production of these units in a timely manner, using quality design, construction and materials and located on one of the most attractive residential development sites in the entire city. At the same time, it is expected that the experience and expertise of both developers, in combination with the donation of the land development rights by the Authority and Immobiliare, will produce the housing units in such a manner that they can be sold for prices ranging from \$72,000 to \$78,000 and can be marketed to families and individuals with incomes of less than \$42,000.

In addition to the donation of the land, it has become apparent that special site conditions and the unique design requirements of the Navy Yard have driven construction costs to a level where they exceed the revenues to be generated from sale of the units at the aforementioned prices. To offset this gap, it is recommended that Immobiliare be allowed to defer payment of a portion of its obligations due the Authority from the proceeds of the sale of units at Pier 5 and donate an equal amount to this project. Immobiliare would pay to the Authority an amount of money equal to the amount of money deferred plus interest.

In the time since the outline of this proposal was first presented to the Board on May 15, Authority staff have made presentations of this concept to the Charlestown community and the Harborpark Advisory Committee. Approximately 150 Charlestown residents attended a community meeting on May 27, 1986 and voiced unanimous support for this proposal. Similarly, presentations of this proposal were made to the Harborpark Advisory Committee on May 21 and May 28. The Advisory Committee also voted unanimously to support this proposal.

In order to expedite the construction of this much needed housing, it is requested that the Authority approve the transfer, in accordance with Section 7.02 of the Land Disposition Agreement, between the Authority and Immobiliare New England dated December 7, 1978, of a portion of the interest of Immobiliare New England in Parcel 4A in the Charlestown Navy Yard to a joint venture involving Immobiliare New England and the Bricklayers and

Laborers Non-Profit Housing Corporation. In addition, it is requested that the Director be authorized to execute other documents, including an Early Entry License, necessary to expedite the construction of this affordable housing.

An appropriate vote follows:

VOTED: That the Authority, in accordance with Section 7.02 of the Land Disposition Agreement, as amended, between Immobiliare New England and the Authority, hereby approves the transfer of a portion of the interest of Immobiliare New England in Parcel 4A at the Charlestown Navy Yard to a joint venture involving Immobiliare New England and the Bricklayers and Laborers Non-Profit Housing Corporation for the construction of 39 units of affordably priced housing, said units to be credited toward Immobiliare's affordable set aside for future projects at Parcel 4A and Pier 5; and further voted that the Director be, and hereby is, authorized to execute appropriate documents, including a transfer agreement acknowledging the deferral of up to fifty percent of the Authority's conveyance proceeds from Pier 7 including interest due thereon until the first to occur of the date the proceeds of the sale of either Parcel 4A or Pier 5 are due the Authority and to further execute other documents including, but not limited to, an Early Entry License, necessary to expedite the construction of these affordable housing units.

Agreement

between

BOSTON REDEVELOPMENT AUTHORITY

and

IMMOBILIARE NEW ENGLAND

December 7, 1978

identity that the Authority is entering into this Agreement, and, in so doing, is further willing to accept and rely on the obligations of Developer for the faithful performance of all undertakings and covenants hereby to be performed by it.

7.02 Prohibited Transfers. For the reasons set forth in Section 7.01 hereof and except as otherwise provided herein, it is hereby agreed that commencing on the date hereof and continuing until the date of issuance by the Authority of a Certificate of Completion with respect to each phase of the Project, Developer shall not:

- (a) Transfer (by assignment or otherwise) all or any part of its rights under this Agreement or of its interest in such phase to any person (including but not limited to, any partnership, joint venture or corporation) unless the consent thereto of the Authority has first been obtained or established herein; or
- (b) Transfer or change the controlling legal or beneficial interests in Developer (or any successor entity to the Developer permitted hereunder) with respect to such phase by sale, pledge or otherwise unless the consent thereto of the Authority has been first obtained or established herein.

Notwithstanding the foregoing, a sale, lease or any other transfer or assignment of any portion of the Project Area or of any of Developer's rights hereunder to a partnership or joint venture of which the Developer is a controlling general partner under Massachusetts law, or the admission thereto of any additional partners or joint venturers, or to a corporate affiliate of either or both of the Joint Venturers of Developer, does not require prior Authority consent. Developer may not, however, subsequently convey its interest as such general partner or in such affiliate without such consent. Such partnership, joint venture or affiliate may hold title to the Project or portions thereof in a nominee trust or corporation, but shall not without such consent convey the beneficial interest in such nominee.

Furthermore, any portion of the Project Area designed for town house or condominium development or similar ownership in the nature of fee simple absolute or by long-term lease, shall upon issuance of a Certificate of Completion for each such unit be deemed to have been thereby approved by the Authority for dedication to condominium ownership pursuant to M.G.L. ch. 183A and/or subsequent sale or lease to third parties without the need of specific approval in any instance.

7.03 Permitted Transfers. The restrictions set forth in Section 7.02 hereof shall not apply to any transfer:

- (a) of any phase of the Project after the completion of such phase;
- (b) of any leasehold interest in the Project or any part thereof following the completion of the improvements subject to such leasehold interest; provided, however, that prior to completion of the phase, no transfer of a leasehold interest comprising more than one-third (1/3) of the gross leaseable area of the phase and providing for a term of more than thirty (30) years shall be made without the prior consent of the Authority;
- (c) of any interest in the Project or any part thereof as security to any institutional lender providing financing therefor; or for any phase, or portion of a phase;
- (d) of any rights of Developer under this Agreement with respect to any transfer permitted hereby;
- (e) of any legal or beneficial interest in the joint venturers of Developer among themselves or among any affiliates of either such joint venturer, in which such joint venturer has at least a 51% interest, or to the admission of any additional joint venturer(s);

(f) of any transfer of any interest in the Project or any part thereof for utility or like easements necessary to permit the construction and use of the Project or any phase, or portion of a phase.

7.04 Authority's Consent. Where the consent of the Authority to any transfer is required hereby, Developer shall notify the Authority of all parties to whom such transfer is proposed to be made, and such notice shall provide reasonably sufficient information to enable the Authority to evaluate the acceptability of the proposed transferee. The Authority, at any time within thirty (30) days after the giving of such notice of the identity of any such party, shall have the right to notify Developer that it objects to the proposed transfer to such party, and the Authority shall in such notice, specify reasonable grounds for such objection (no such objection shall be made if no reasonable grounds exist). If such objection shall be made by the Authority, such party shall not be a transferee without the subsequent consent of the Authority. If objection is not made by the Authority within such thirty (30) day period or such additional period of time as may be requested by the Authority and reasonably approved by Developer, the proposed transfer shall be deemed to be approved by the Authority.

IE OF PARKING EASEMENT

IE OF YARD EASEMENT PARKING EASEMENT AREA

YARD EASEMENT AREA

6 YARDS

PROPERTY

385' ±

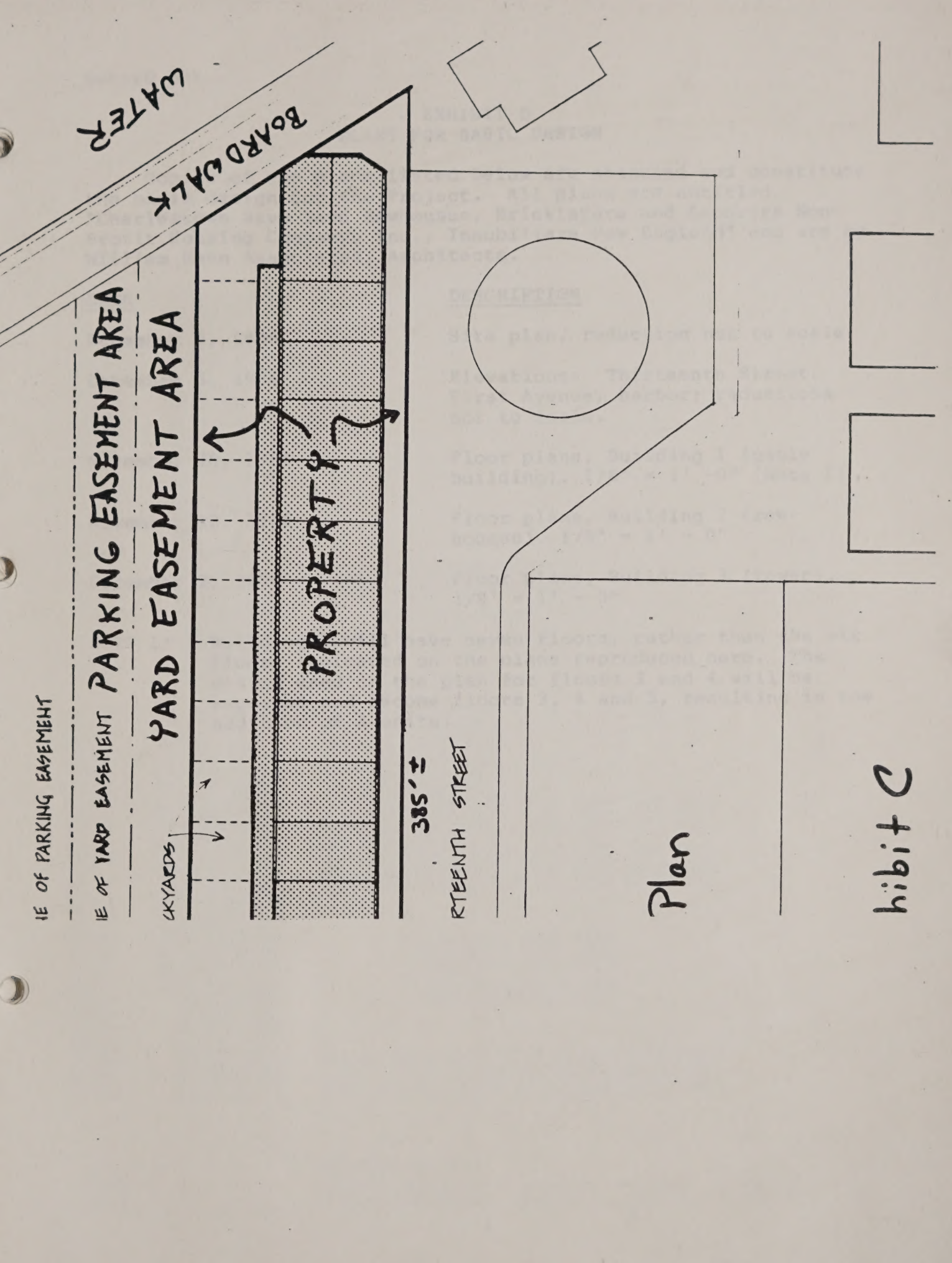
RTEENTH STREET

Plan

hibit C

WATER

BOARD WALK

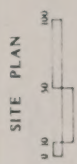
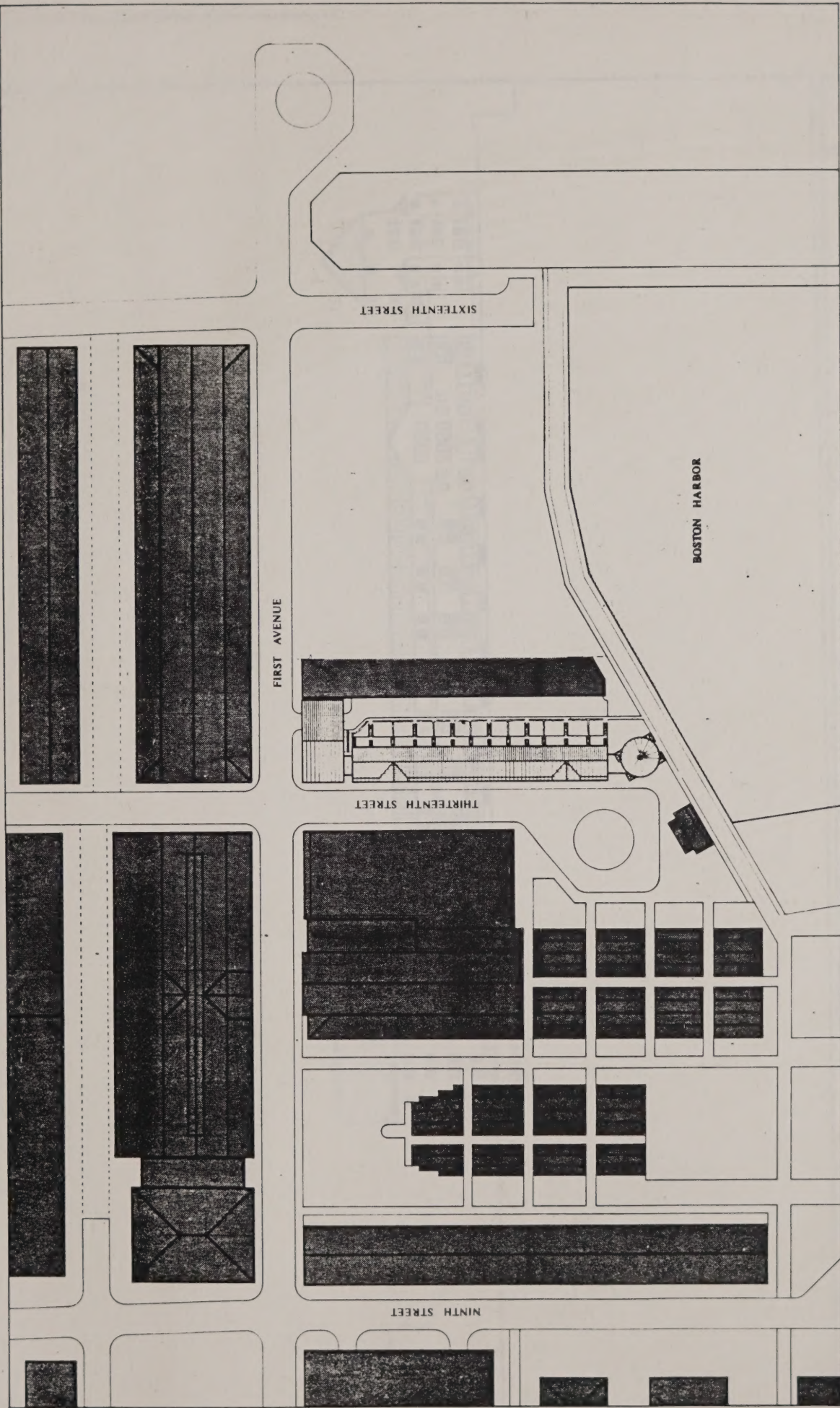


- EXHIBIT D
PLANS FOR BASIC DESIGN

Copies of the plans listed below are attached and constitute the basic design for the Project. All plans are entitled "Charlestown Navy Yard Rowhouses, Bricklayers and Laborers Non-Profit Housing Company, Inc., Immobiliare New England" and are by William Rawn Associates, Architects.

<u>DATE</u>	<u>DESCRIPTION</u>
December 5, 1986	Site plan, reduction not to scale.
December 5, 1986	Elevations: Thirteenth Street, First Avenue, harbor; reductions not to scale.
November 26, 1986	Floor plans, Building 1 (gable building). 1/8" = 1' - 0" (Note 1)
November 18, 1986	Floor plans, Building 2 (row-houses). 1/8" = 1' - 0"
December 2, 1986	Floor plans, Building 3 (tower). 1/8" = 1' - 0"

NOTE 1: Building 1 will have seven floors, rather than the six floors indicated on the plans reproduced here. The design used on the plan for floors 3 and 4 will be repeated and become floors 3, 4 and 5, resulting in the addition of 4 units.



BRICKLAYERS AND LABORERS
NON-PROFIT HOUSING COMPANY INC.
IMMOBILIARE NEW ENGLAND

CHARLESTOWN NAVY YARD
ROWHOUSES

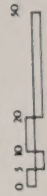
WILLIAM RAWN ASSOCIATES, Architects
101 Tremont Street Boston, MA
617 423 3470

5 DEC. 1986



THIRTEENTH STREET ELEVATION

ELEVATIONS



BRICKLAYERS AND LABORERS
NON-PROFIT HOUSING COMPANY INC.
IMMOBILIARE NEW ENGLAND

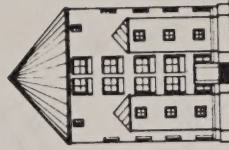
CHARLESTOWN NAVY YARD
ROWHOUSES

WILLIAM RAWN ASSOCIATES, Architects
401 Tremont Street Boston, MA
617 423 3470

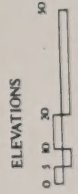
5 DEC. 1986



FIRST AVENUE ELEVATION



HARBOR ELEVATION

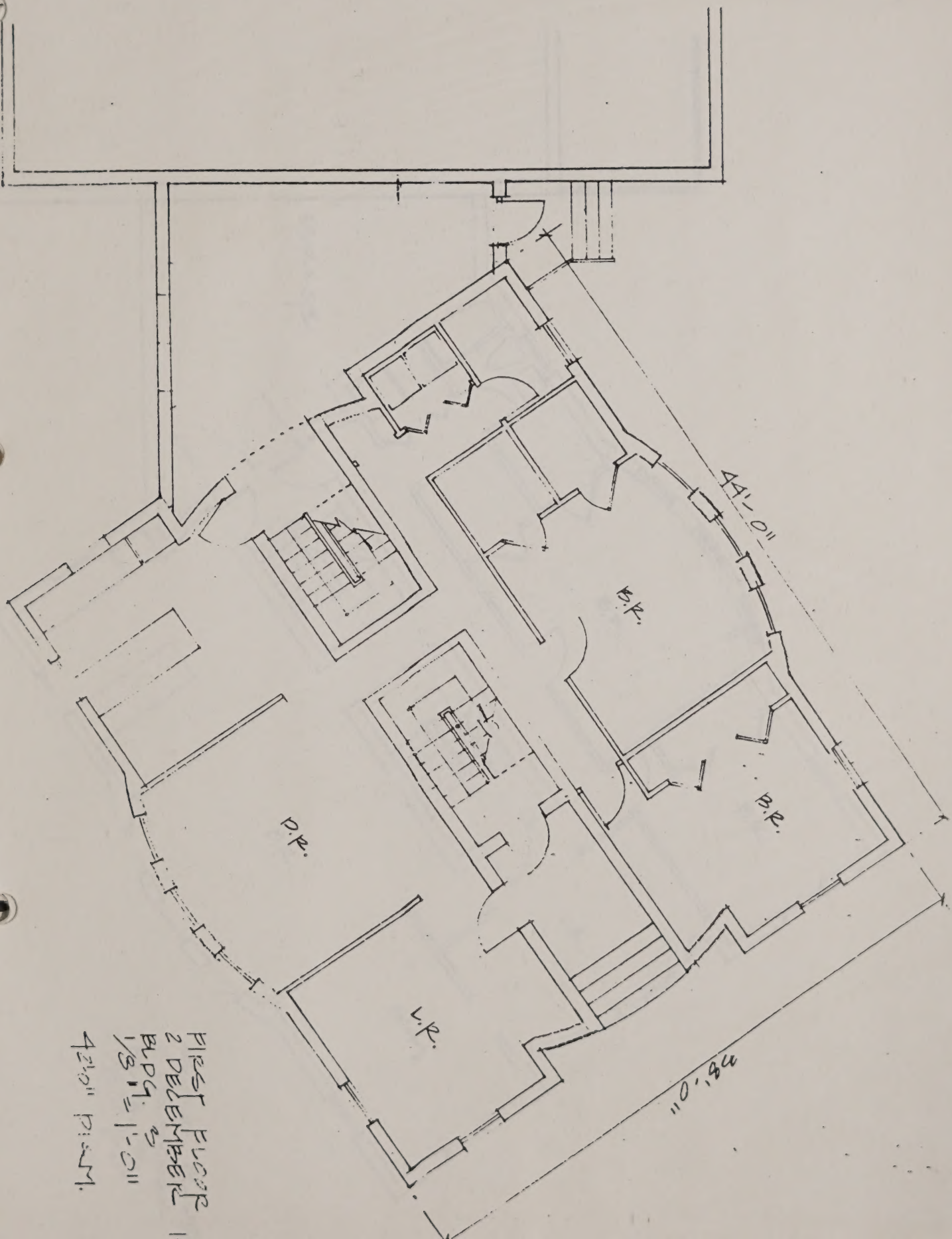


BRICKLAYERS AND LABORERS
NON-PROFIT HOUSING COMPANY INC.
IMMOBILIARE NEW ENGLAND

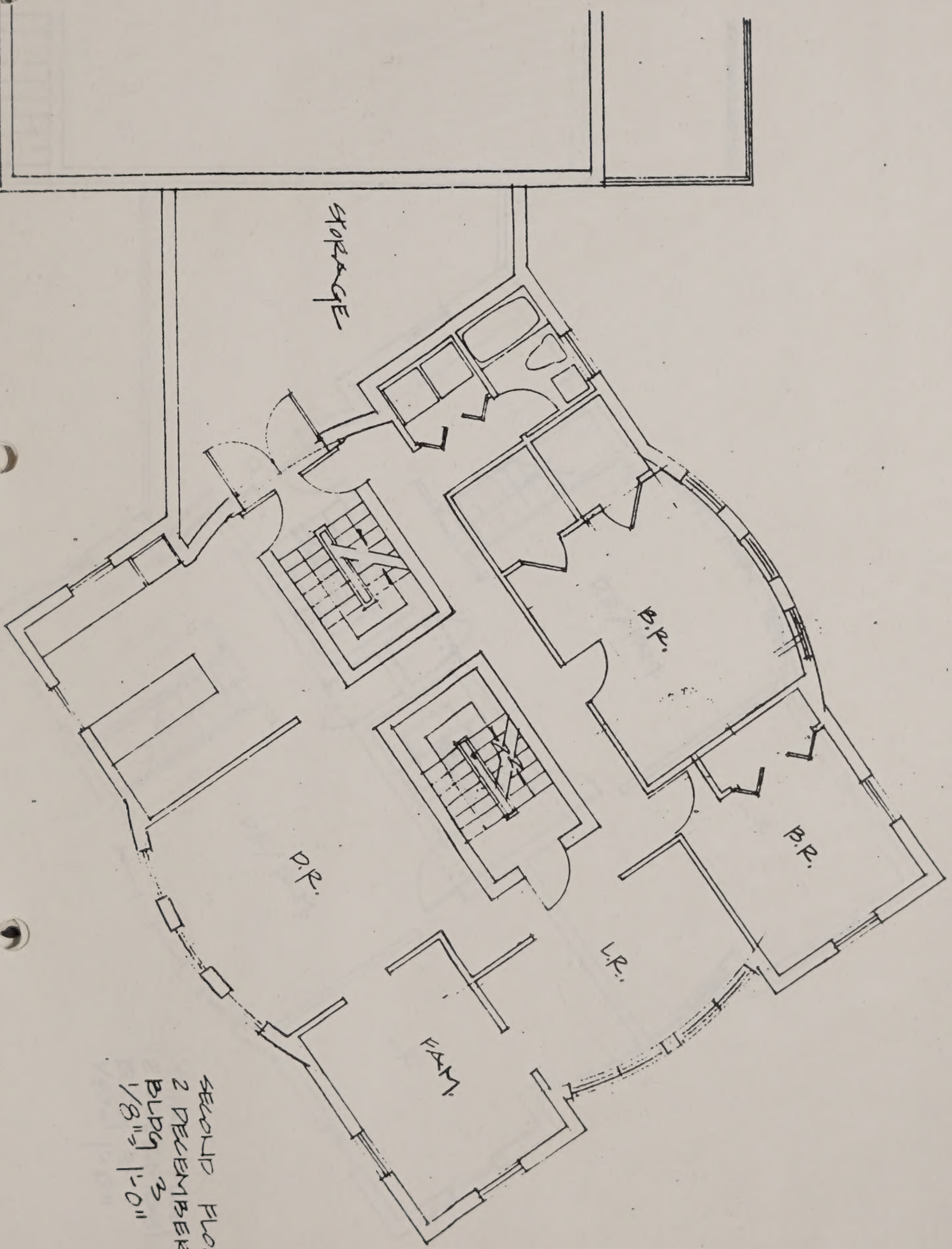
CHARLESTOWN NAVY YARD
ROWHOUSES

WILLIAM RAWN ASSOCIATES, Architects
101 Tremont Street
Boston, MA
617 423 3470

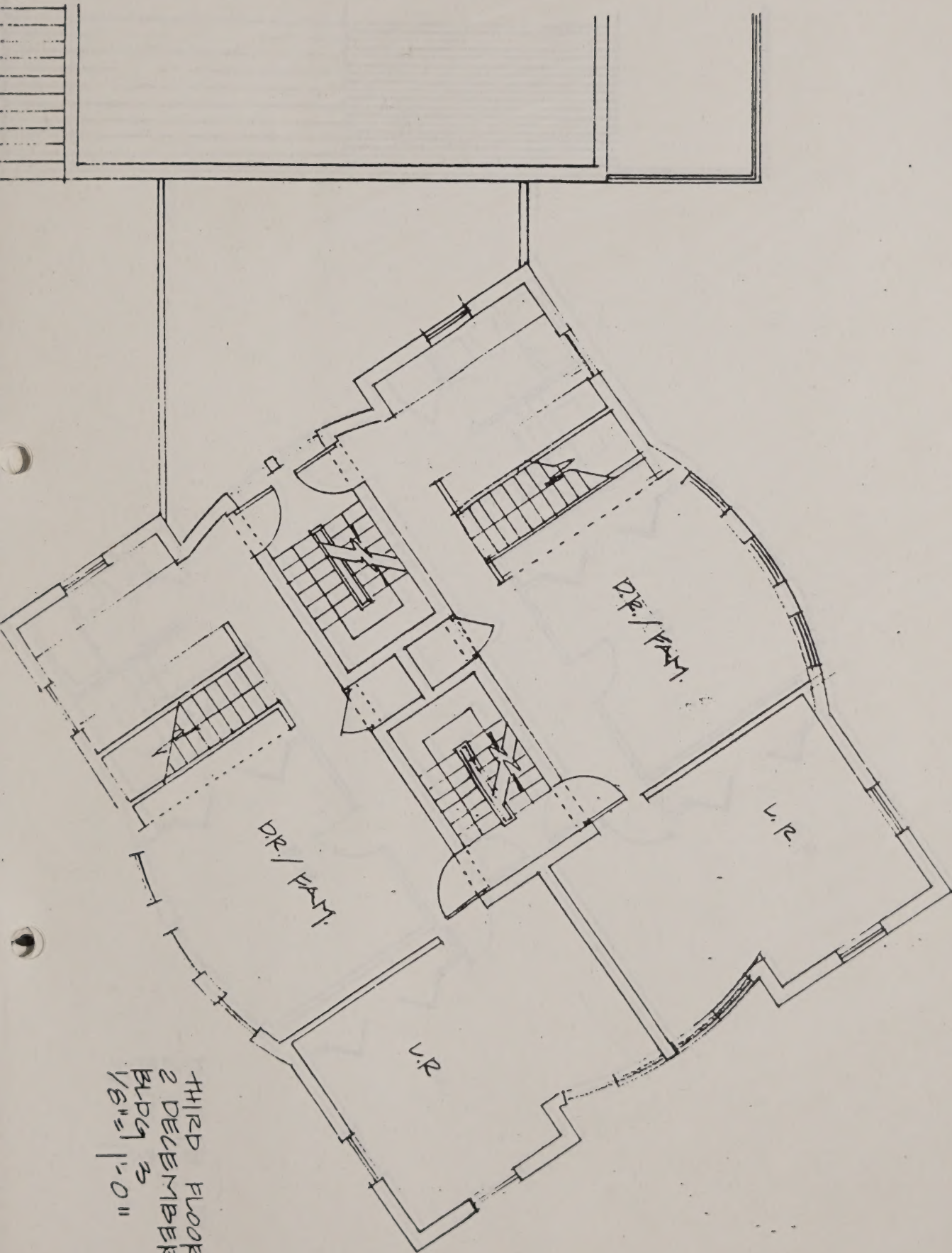
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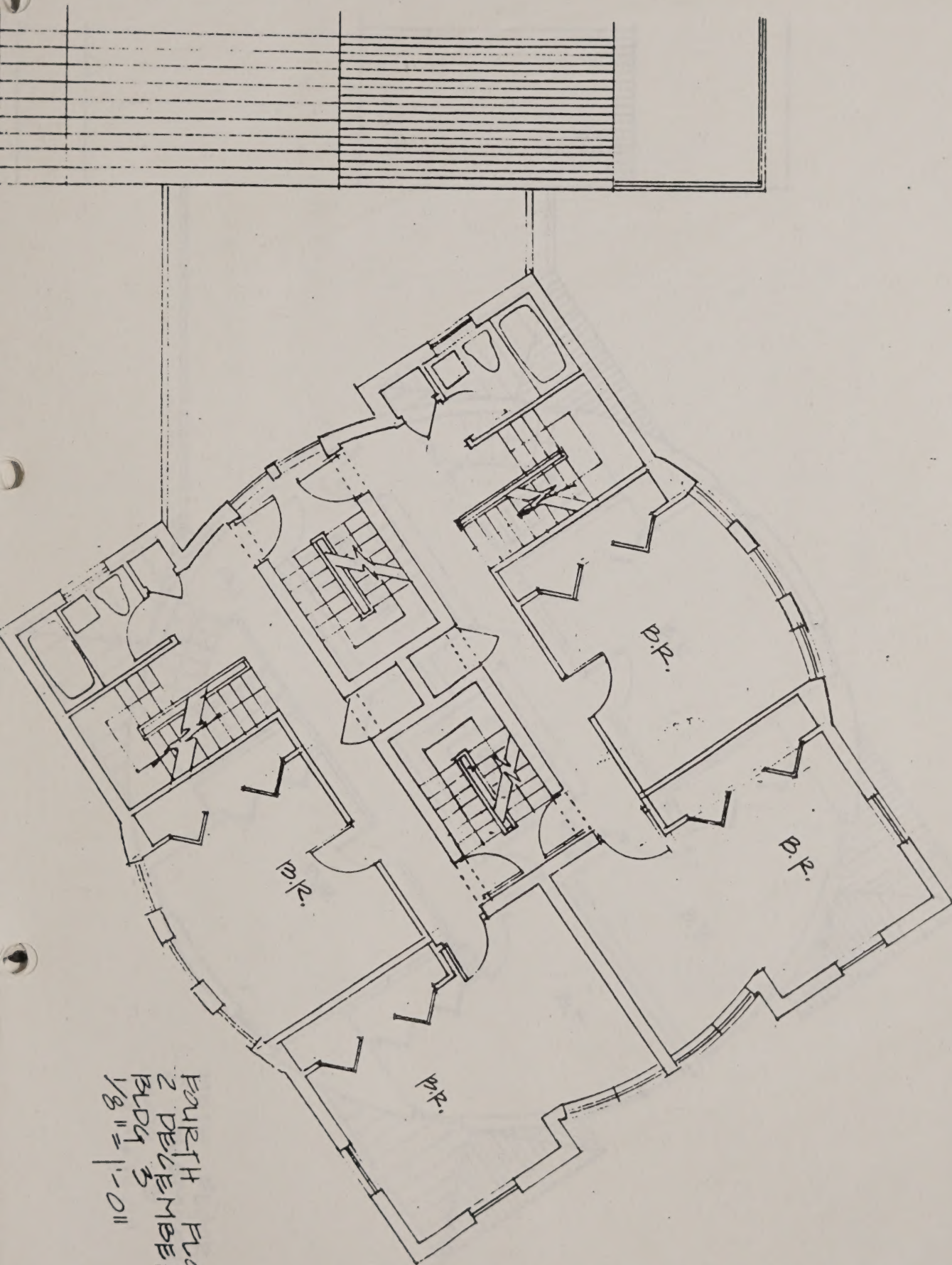
FIRST FLOOR
 2 DECEMBER
 BUDG. 2
 1/8" = 1'-0"
 42'-0" P.M.



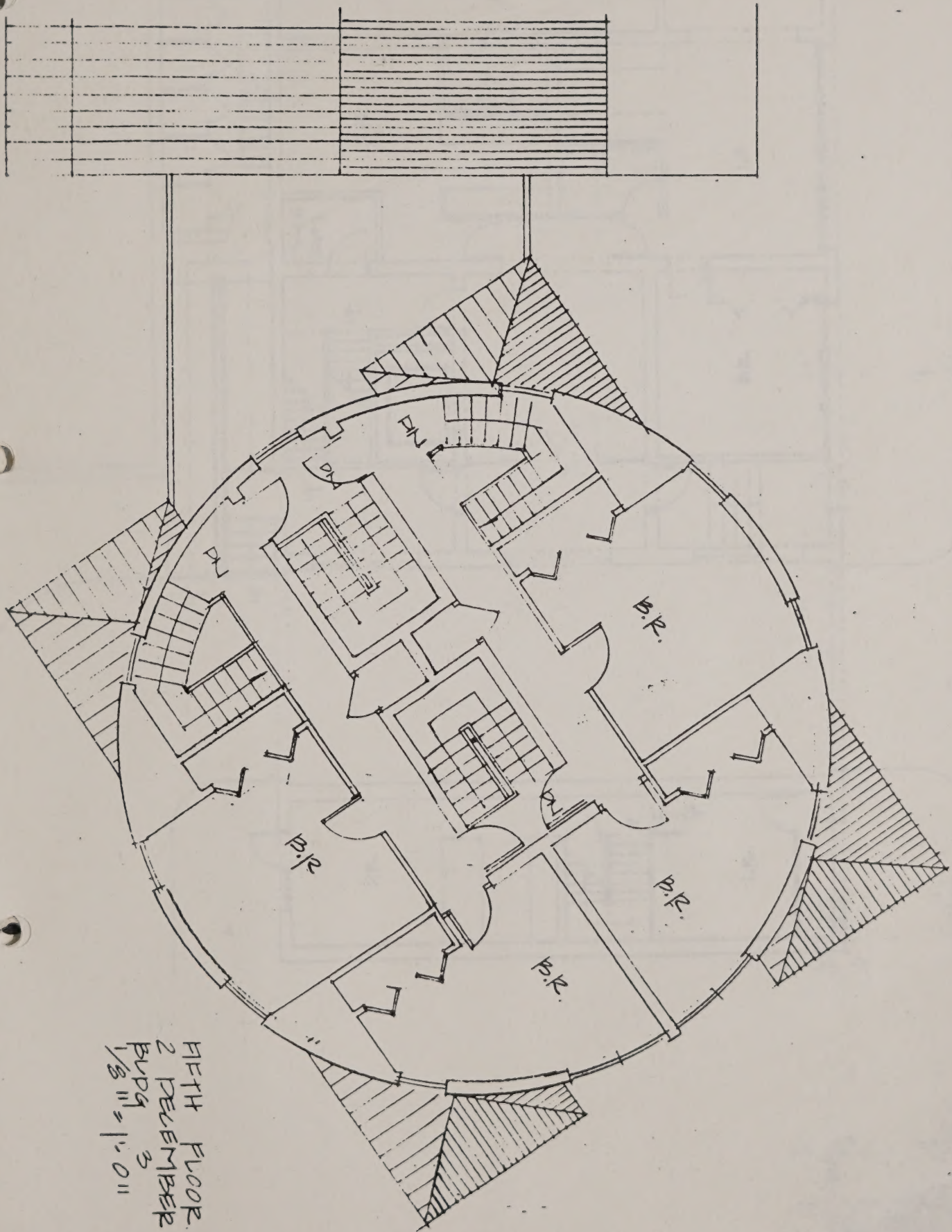
SECOND FLOOR
2 DECEMBER 1951
BUDG 3
1/8" = 1'-0"



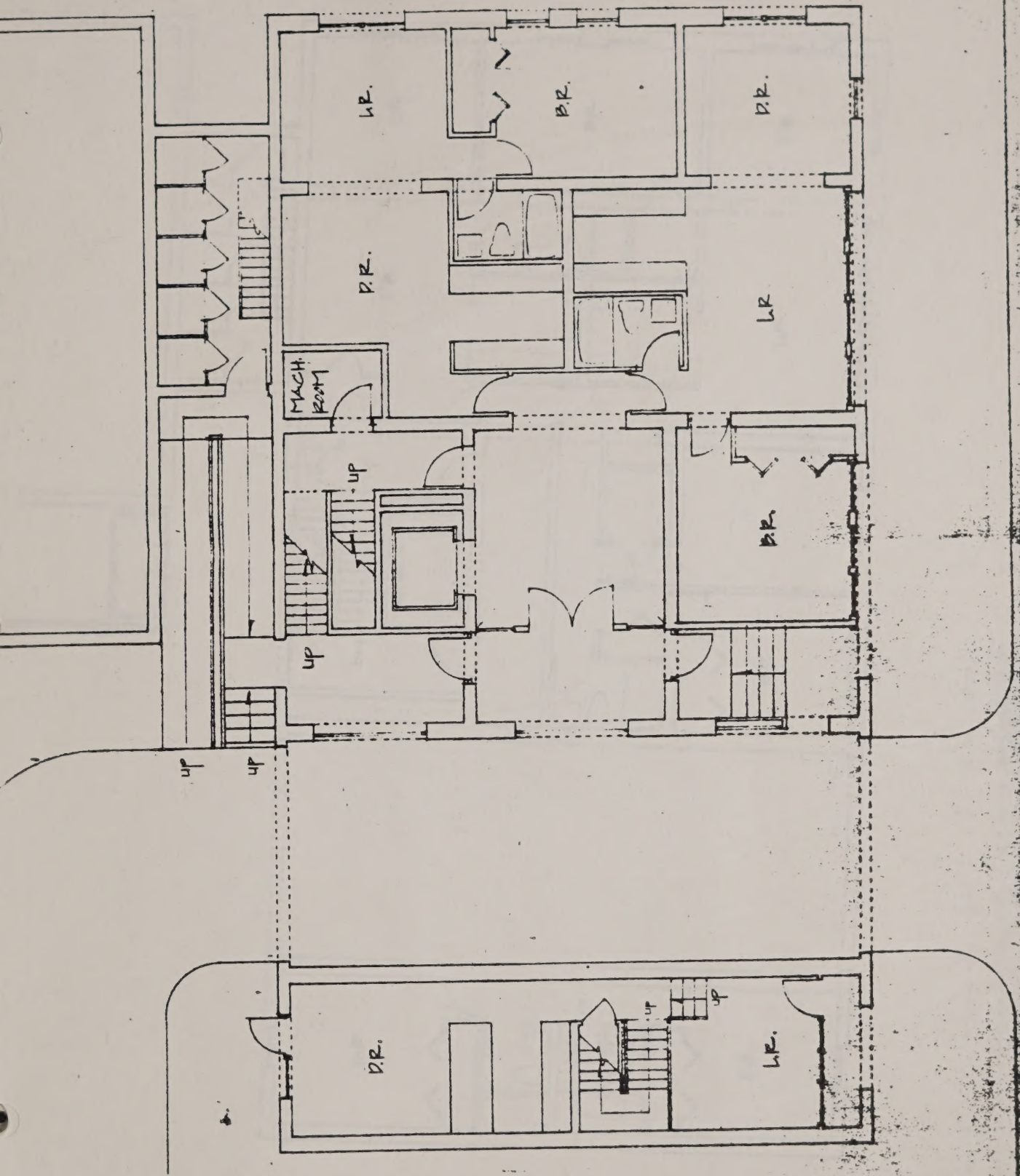
THIRD FLOOR
2 DECEMBER 19
BDDG 3
1/8" = 1'-0"



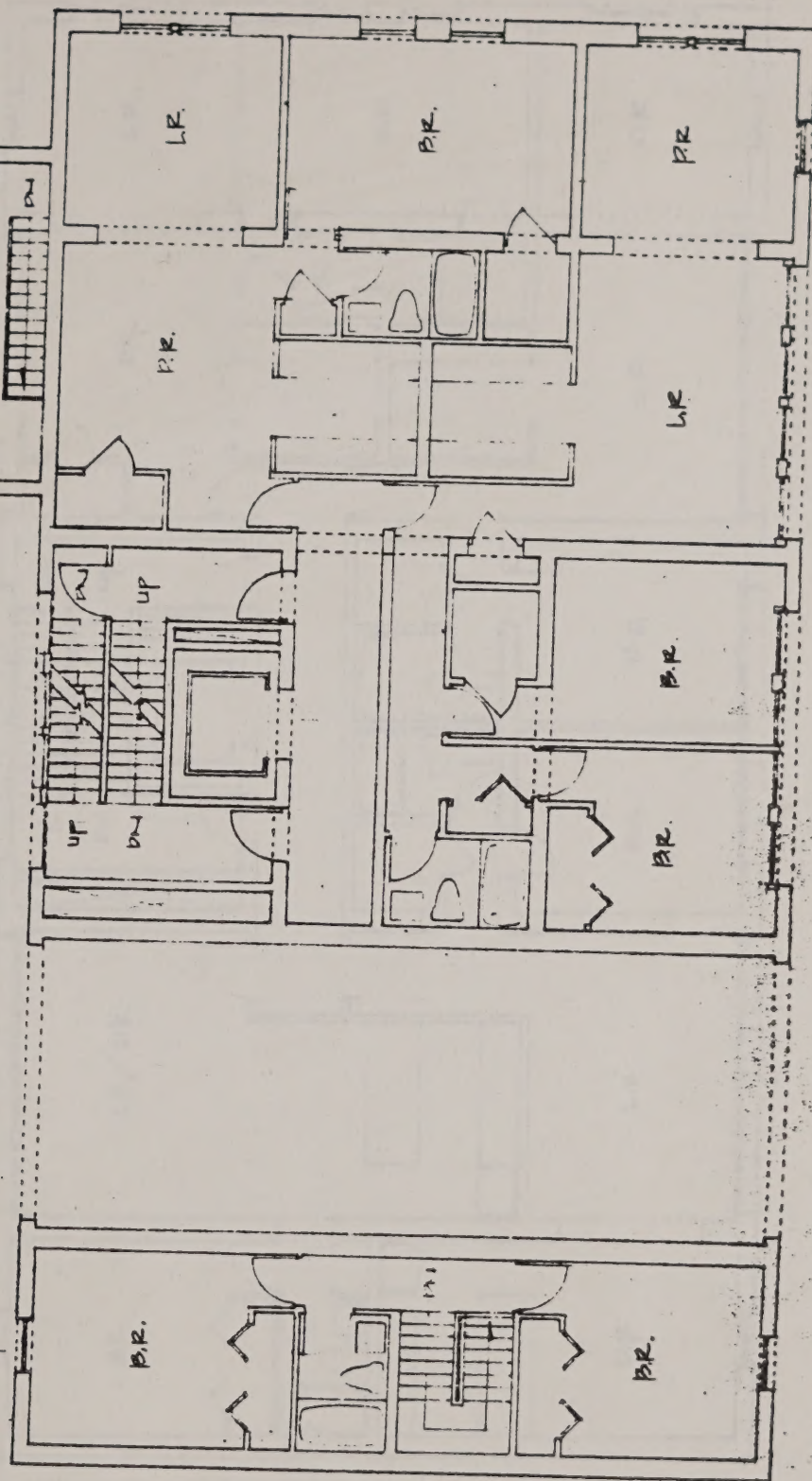
FOURTH FLOOR
2 DECEMBER 19
BDDY 3
1/8" = 1'-0"



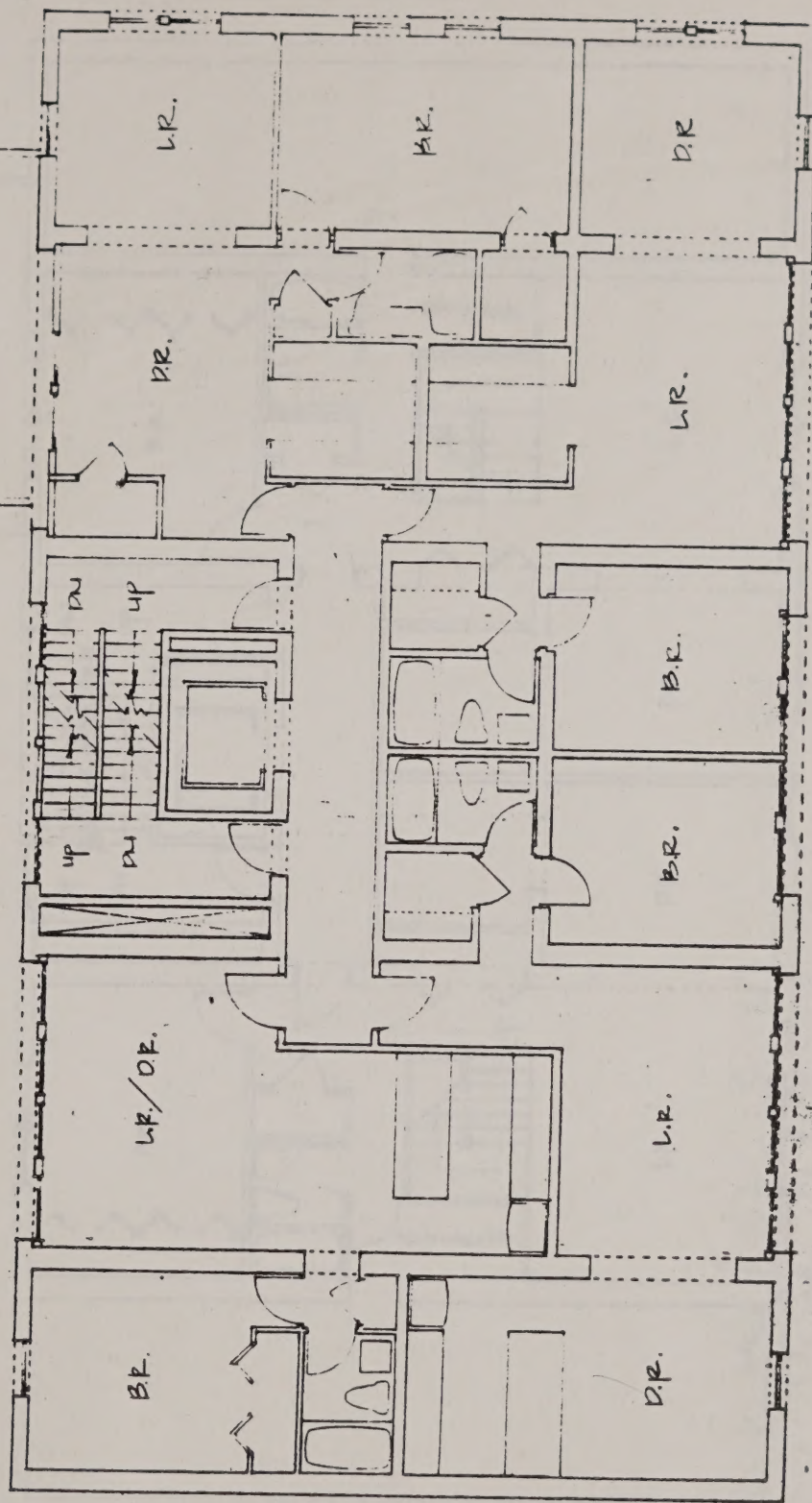
HEATH FLOOR.
2 DECEMBER 1986
BUDG 3
1/8" = 1'-0"



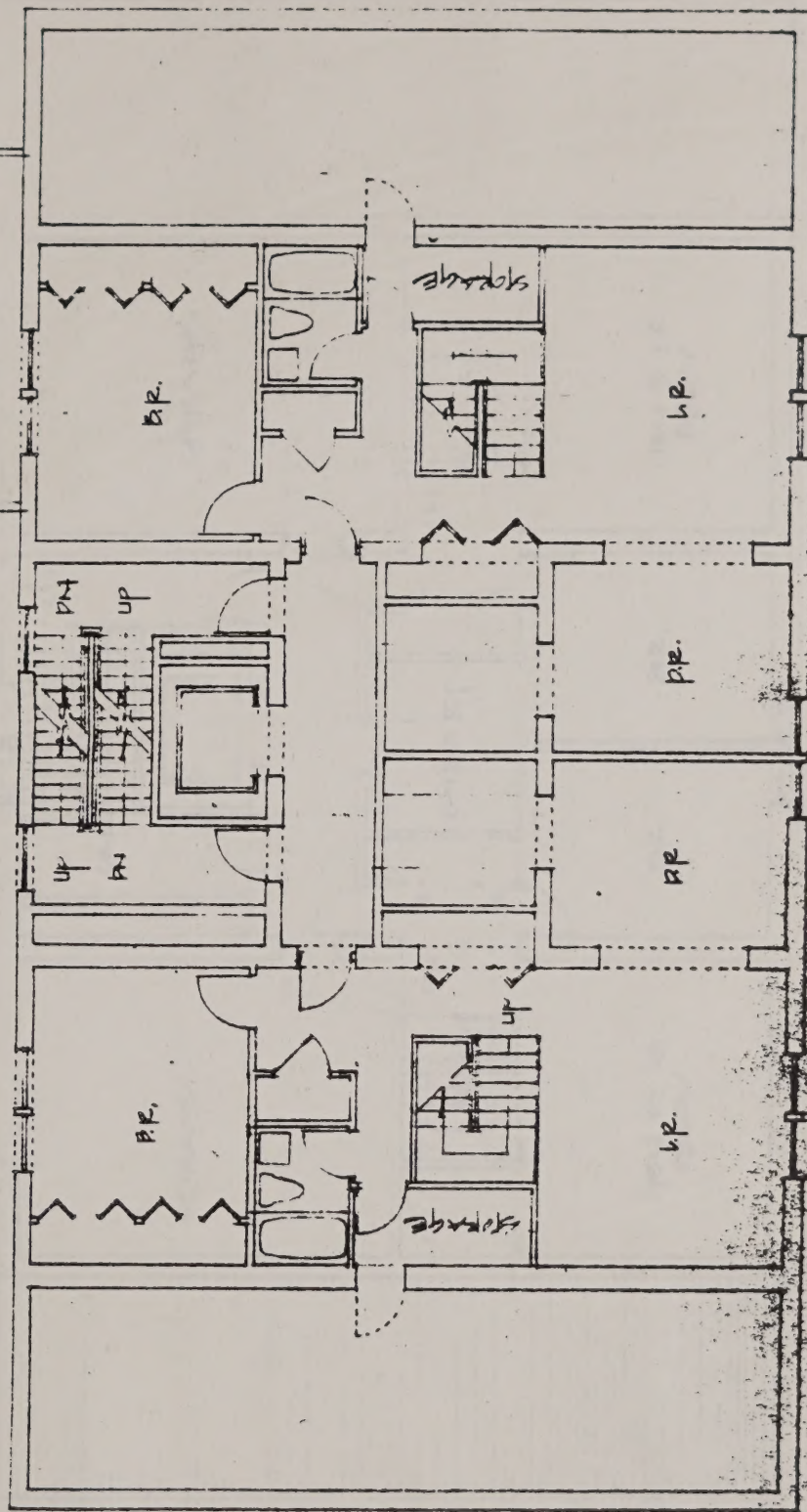
PIED PIPER FLOOR
BLDG. 1
26 NOVEMBER 1986



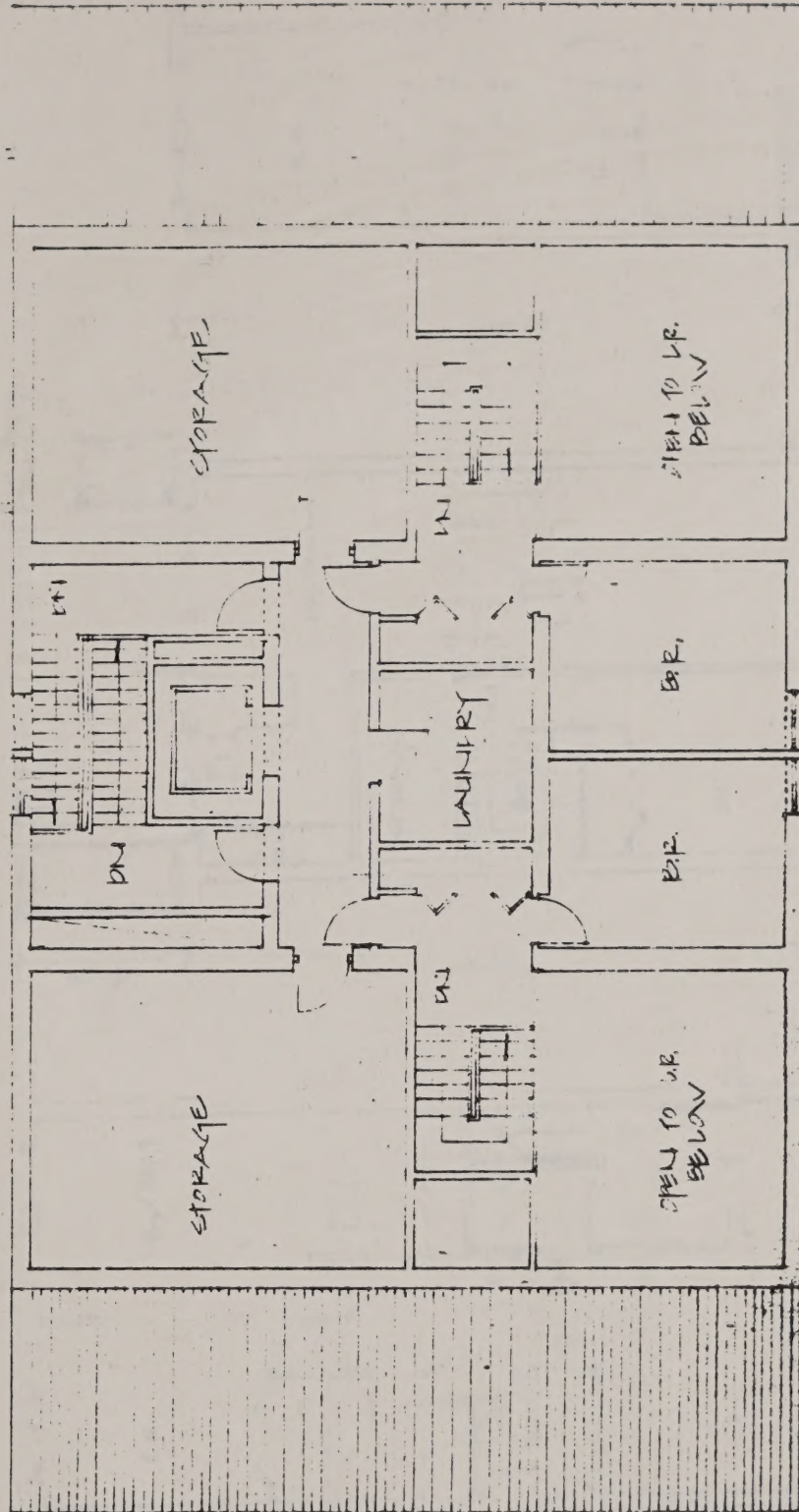
SECOND FLOOR
BLDG
26 NOVEMBER 1986



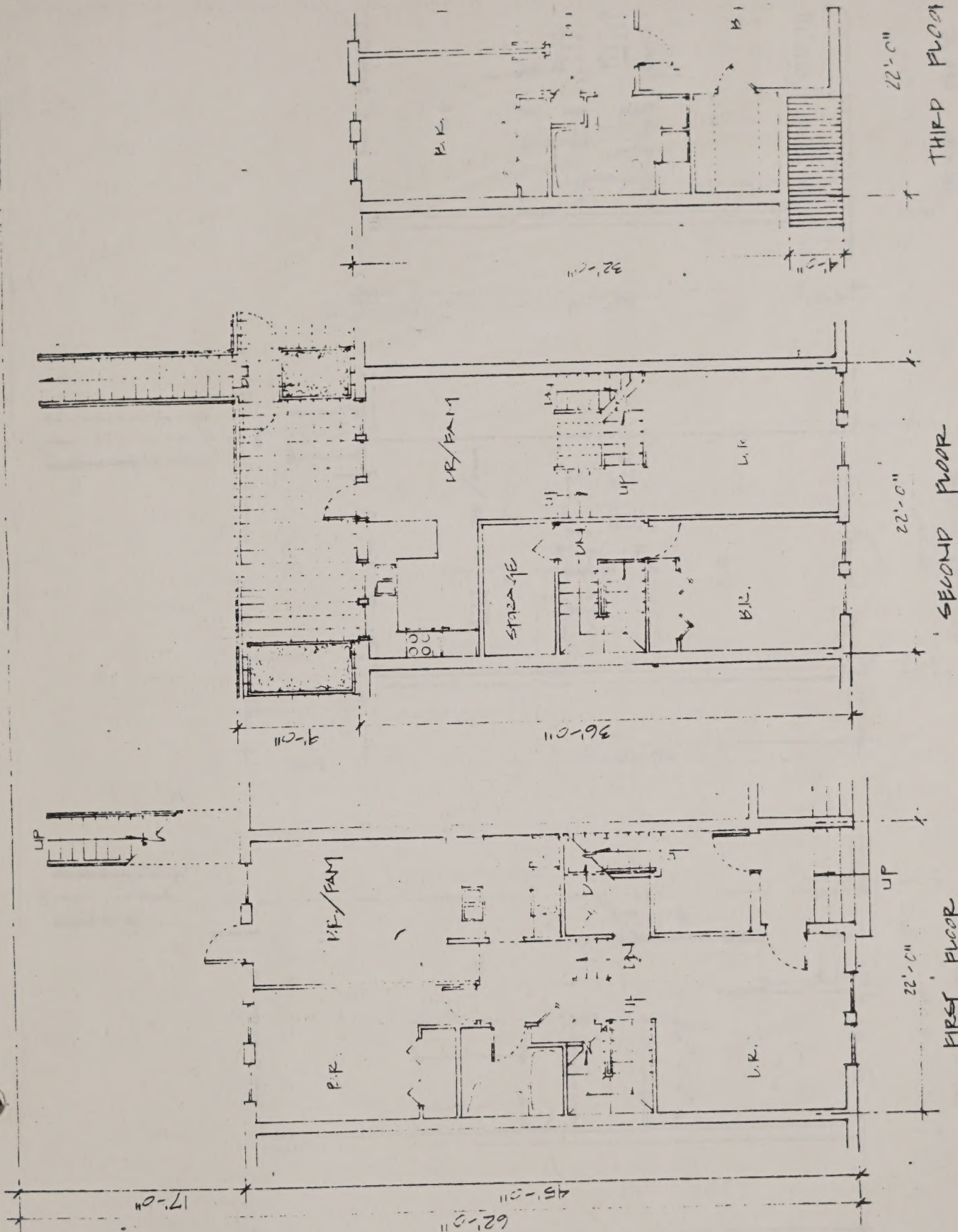
THIRD & FOURTH FLOOR
 26 NOVEMBER 1986
 18" x 12"



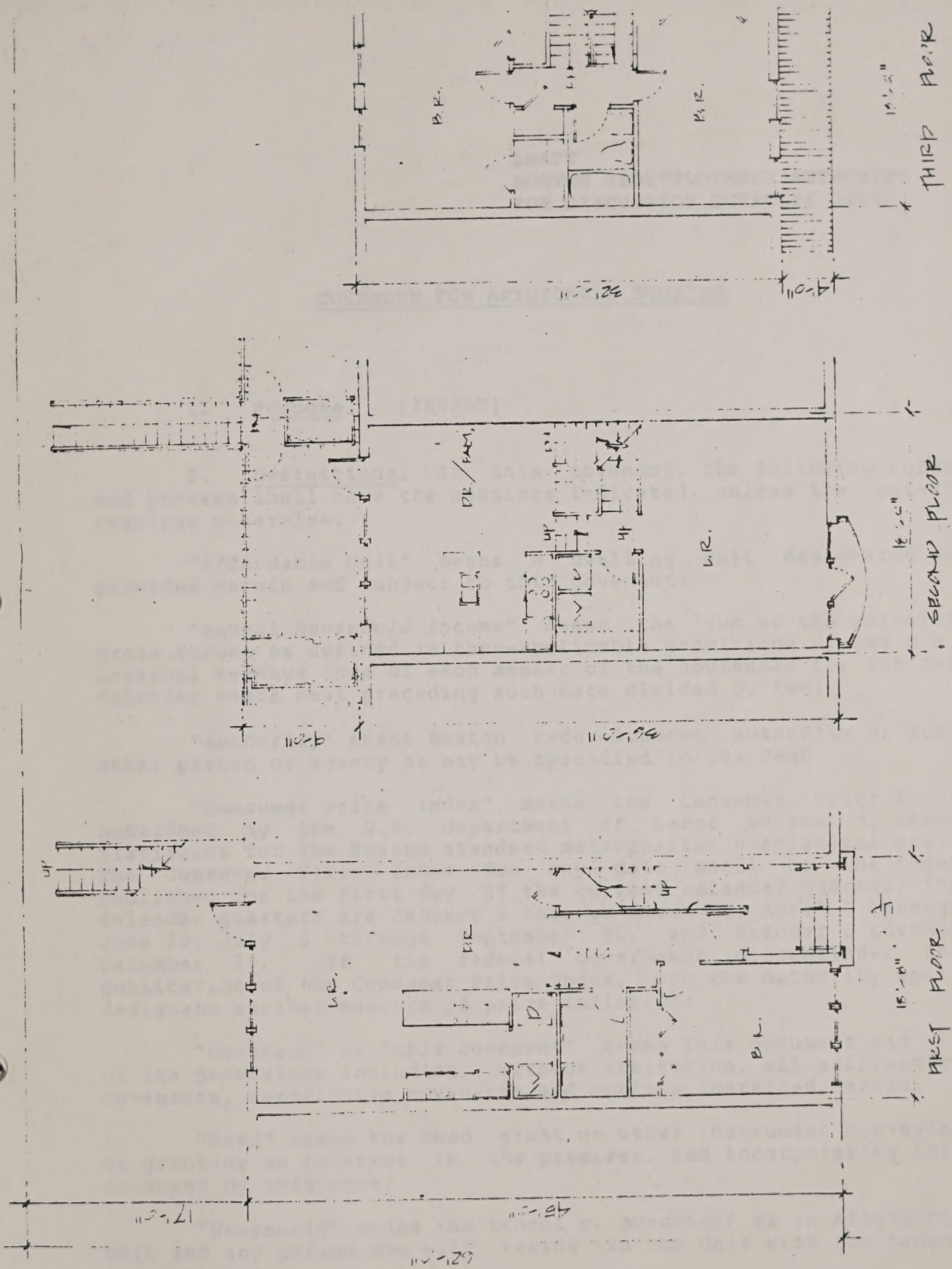
FIFTH FLOOR
 26 NOVEMBER 1986
 1/8" = 1'-0"



SIXTH FLOOR
 26 NOVEMBER 1946
 1/8" = 1'-0"



CHARLESTON NAVY YARD
 ROWHOUSE
 UNIT PLANS
 18 NOVEMBER 1986
 3 BEDROOM / 2 BEDROOM
 1/8" = 1'-0"
 BY: [signature]



CHARLESTOWN NAVY YARD BLDG. 2
 ROWHOUSES
 UNIT PLANS
 12 NOVEMBER 1936
 2 BEDROOM 12'-0" x 12'-0"
 1 BEDROOM 12'-0" x 12'-0"

DRAFT
BOSTON REDEVELOPMENT AUTHORITY
FOR DISCUSSION PURPOSES ONLY

COVENANT FOR AFFORDABLE HOUSING

1. Purpose. [INSERT]

2. Definitions. In this covenant, the following words and phrases shall have the meanings indicated, unless the context requires otherwise:

"Affordable Unit" means a dwelling unit designated as provided herein and subject to this Covenant;

"Annual household income" means the sum of the adjusted gross income as defined in then-applicable provisions of the U.S. Internal Revenue Code of each member of the household for the two calendar years next preceding such date divided by two;

"Authority" means Boston Redevelopment Authority or such other person or agency as may be specified in the Deed;

"Consumer Price Index" means the Consumer Price Index published by the U.S. Department of Labor Bureau of Labor Statistics for the Boston standard metropolitan statistical area. The Consumer Price Index for any date shall be the index published for the first day of the current calendar quarter; the calendar quarters are January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31. If the federal government discontinues the publication of the Consumer Price Index, then the Authority shall designate another measure of price inflation;

"Covenant" or "this covenant" means this document and all of its provisions including, without limitation, all affirmative covenants, restrictive covenants and options contained herein;

"Deed" means the deed, grant or other instrument conveying or granting an interest in the premises, and incorporating this covenant by reference;

"Household" means the tenant or purchaser of an Affordable Unit and any person who will reside in the Unit with the tenant or purchaser;

"Low income" means total household income not exceeding 50% of the median income of households in the Boston region;

"Maximum resale price" means the maximum price permitted for the sale of an Affordable Unit, as set forth in Section ____;

"Median income" means the household income set forth in or calculated by regulations promulgated by the United States Department of Housing and Urban Development, pursuant to Section 8 of the Housing Act of 1937, as amended by the Housing and Community Development Act of 1974. For a studio or one bedroom dwelling unit, "median income" shall be the median for households of two persons; for a two bedroom dwelling, the median income for households of four persons; for three bedroom dwellings, the median income for households of six persons; for four bedroom dwellings, the median income for households of eight persons; and for dwellings having five or more bedrooms, the median income for households of ten or more persons. If the Department of Housing and Urban Development discontinues publication of median income statistics, then the Authority shall designate another measure of household income;

"Moderate income" means total household income not exceeding 80% of the median income of households in the Boston region;

"Mortgage Interest Rate Index" means the interest rate quoted by the Federal National Mortgage Association for purchasing mortgages on single family homes, for mortgages with loan to value ratios of 80% or less, fixed interest rate. The Mortgage Interest Rate Index for any date shall be the index published for the first day of the current calendar quarter; the calendar quarters are January 1 through March 31, April 1 through June 30, July 1 through September 30, and October 1 through December 31. If the Federal National Mortgage Association discontinues the publication of the interest rate quotations for such loans, then the Authority shall designate another measure of mortgage interest rates;

"Owner" means the person or entity identified in the Deed and any successor or assign holding an interest in an Affordable Unit;

"Premises" means the land and any improvements now or hereafter erected thereon conveyed by or described in the Deed;

"Upper-moderate income" means total household income not exceeding 120% of the median income of households in the Boston region.

3. Covenant; Construction and Designation of Affordable Units. The premises shall be improved with one or more dwelling units of which not fewer than the number of dwelling units specified in the deed shall be Affordable Units. Affordable Units shall be comparable in design, floor area, bedroom mix, services and amenities to all other dwelling units in the premises. Affordable Units shall be constructed simultaneously with other units in the premises. Comparable parking shall be provided for Affordable Units, the cost of which shall be deemed included in the maximum rental or sale price of the unit as provided herein, regardless of whether such parking would be subject to separate cost or charge if rented or sold to other unit owners or occupants. Before the occupancy of any portion of the premises, the Owner shall record a written instrument (and plan if needed) signed by both the Owner and the Authority, identifying the dwelling units that satisfy the Owner's obligation to provide Affordable Units; until such instrument of designation is recorded in the Suffolk Registry of Deeds, all dwelling units in the premises shall be Affordable Units restricted as provided herein.

4. Covenant; Occupancy. No Affordable Unit may be occupied or used except by a person or household that:

- (a) has income no higher than moderate income on the date of first occupancy of the Affordable Unit; and
- (b) occupies the Affordable Unit as his or her or their primary residence, except that, upon petition, the Authority may approve the rental of the Affordable Unit based upon the Owner's or occupant's temporary need to relocate.

5. Covenant; Rental Units. Each Affordable Unit if used as a rental accommodation shall have a monthly rent no higher than ____ [two and a half (?)] percent of median income if the rent includes heat and ____ [two (?)] percent of median income if the rent does not include heat.

6. Covenant; Condominium and Cooperative Units. If the premises are made subject to a condominium or cooperative plan, then the following restrictions shall apply:

- (a) Each Affordable Unit must be established as a separate condominium unit or cooperative unit;
- (b) No such unit may be sold or conveyed during the term of this covenant except to a person or household who on the date of sale or conveyance is of low income or

moderate income and who undertakes to occupy the unit as his or her or their primary residence.

- (c) No Affordable Unit or interest therein shall at any time be sold, conveyed or otherwise transferred, and no attempted sale, conveyance or transfer thereof shall be valid, unless the aggregate value of all consideration and payments of every kind given or paid by the purchaser to the owner of such Affordable Unit for and in connection with the transfer of such Affordable Unit (including the consideration paid for any other real property or personal property conveyed) is equal to or less than the maximum resale price for such Unit. The "maximum resale price" for any Unit as of a given date shall be the lesser of:
- (1) the maximum price for the Unit specified in the Deed increased five per cent per annum, compounded annually, plus the value of capital improvements made to the Unit; or
 - (2) the maximum price for the Unit specified in the Deed increased to reflect the change in the cost of living index (This price is calculated by multiplying the maximum price specified in the Deed by a fraction, the numerator of which is the Consumer Price Index applicable on the date of conveyance and the denominator of which is the Consumer Price Index applicable on the date of the Deed), plus the value of capital improvements made to the Unit.
- (d) For purposes of calculating the maximum resale price, the "value of capital improvements made to the Unit" means [INSERT DEFINITION].
- (e) Every unit deed or certificate for stock in a cooperative unit conveying an interest in an Affordable Unit shall contain a statement that such Unit is an Affordable Unit subject to the provisions hereof, and shall included a reference to the place of recording of this Covenant in the Suffolk Registry of Deeds.

7. Adjustment to Income Levels during Period of High Interest Rates. During any period when the Mortgage Interest Rate Index exceeds _____ [BEING CALCULATED] percent, the income level for a purchaser of an Affordable Unit as a condominium or cooperative apartment shall be increased as provided in this section. The maximum income level otherwise applicable shall be multiplied by a fraction, the numerator of which is the then

applicable Mortgage Interest Rate Index, and the denominator of which is ____ [BEING CALCULATED].

8. Ownership by Certain Non-Profit Organizations. Any other provision of this covenant notwithstanding, an Affordable Unit may be conveyed to a non-profit organization or government agency that will hold the Unit for occupancy by households having an eligible income level; provided that such non-profit organization or government agency is approved by the Authority, which approval may be withheld with or without cause by the Authority in its sole discretion.

9. Covenant; Compliance. The Owner and occupants of an Affordable Unit shall furnish such information about the Affordable Unit as the Authority may request from time to time on the identity of the Owner, the identity of any mortgagee or other person having an interest in the Unit, the consideration paid for the Unit, the condition of the Unit, the identity of the occupants, and the household income of the occupants, all for the purpose of assuring compliance with this covenant. The Authority shall have access to inspect the Affordable Unit at reasonable times and on reasonable notice.

10. Certificate from Authority. Upon written application, the Authority shall furnish to the Owner, occupant, purchaser or other interested party, one or more certificates in recordable form stating:

- (1) whether a particular person or household qualifies under this covenant as to income limitations for ownership or occupancy of an Affordable Unit;
- (2) whether the terms of any sale or proposed sale of an Affordable Unit that is a condominium or cooperative unit comply with the terms of this covenant;
- (3) whether the Authority has waived its option to purchase following any particular event;
- (4) whether the Authority has any notice of a breach of this covenant.

All requests to the Authority for such certificates must be in writing and upon application forms to be prescribed from time to time by the Authority; and shall include such evidence as to income or other facts as the Authority may require. The Authority shall issue such certificate within 30 days from the date of receipt of a proper and complete application. Any third party not having actual knowledge of contrary facts may

conclusively rely upon any such certificate of the Authority as to the matters stated in such certificate.

11. Rights of First Mortgagee. Other provisions of this covenant notwithstanding, a financial institution that holds a first mortgage or security interest in the premises or in an Affordable Unit may acquire title to the premises or Affordable Unit by foreclosure or instrument in lieu of foreclosure, provided that all covenants and options contained herein shall apply to all subsequent occupancy, rental and sale of the premises and Affordable Unit.

12. Option. The Authority reserves or the Owner grants to Authority, as the case may be, the right and option to purchase any Affordable Unit which is a cooperative or condominium unit, at any time after one or more of the following events:

- (1) Any legal or beneficial interest in the Affordable Unit is conveyed by the Owner without the Owner's first having obtained the prior written approval of the Authority; or
- (2) Receipt by the Authority of notice in any form (including notice by newspaper publication) of an impending foreclosure against all or any part of the Affordable Unit; or
- (3) Receipt by the Authority of notice in any form (including notice by newspaper publication) of the taking of the property for unpaid taxes; or
- (4) Commencement of voluntary or involuntary proceedings against the Owner under any bankruptcy or insolvency law, or the appointment of a receiver for the benefit of the Owner's creditors.

13. Term of Option. The Option may be exercised at any time during the year which commences on the earlier of the following (a) fifty (50) years from December 1, 1983; or (b) twenty-one (21) years following the death of the last survivor among the following named persons:

[INSERT LIST]

14. Exercise of Option. If Authority wishes to exercise the option, Authority shall do so by giving notice of exercise.

The Premises are to be conveyed by a good and sufficient quitclaim deed running to Authority or its nominee, conveying a good and clear record and marketable title thereto, free from all encumbrances, except such taxes for the then current year as are not due and payable on the date for the delivery of such deed; such matters of record as are of record immediately prior to the recording of the deed; and such encumbrances as to which the Authority may have given its express written consent. The Premises shall be delivered in the same condition as at the time Authority exercises the Option, free of all tenants and occupants. Rents, fuel, common condominium or cooperative charges, and water and sewer use charges, if applicable, and current real estate taxes shall be adjusted as of the date of delivery of the deed. If the amount of such real estate taxes is not known at the time of delivery of the deed, they shall be apportioned on the basis of the taxes assessed for the preceding year, with a reapportionment as soon as the new tax rate and valuation can be ascertained. The closing resulting from the exercise of the Option shall take place and the deed shall be delivered at the office of the Authority at 10:00 a.m. on the fourth Thursday following the postmark date of Authority's notice of such exercise of Option, unless otherwise agreed in writing. If Owner shall be unable on the Closing Date to give title or to make conveyance or to deliver possession of the Premises, all in accordance with the terms hereof, or if on the Closing Date the Premises do not conform with the requirements hereof, then the date of the closing hereunder shall be postponed for a period of thirty (30) days during which period Owner shall use reasonable good faith efforts to remove any defects in title or to make conveyance or deliver possession of the Premises, all in accordance with the terms hereof or to make the Premises conform to the requirements hereof, as the case may be. The payment of any portion of the purchase money by Authority to persons holding mortgages or other liens shall, to the extent thereof, be as complete a discharge of Authority as if paid directly to Owner. If after the expiration of the aforesaid time for the closing, any title defects shall not have been removed and conveyance not made, and possession delivered, or the Premises do not conform, all as required hereunder, then the Authority may without waiving any claims against Owner, either (a) terminate Authority's obligation to purchase the Premises pursuant to its exercise of the Option, or (b) accept such title as Owner can deliver to the Premises in their then condition and to pay therefor the purchase price; provided that in the event of such conveyance in accordance with this paragraph, if the Premises shall have been damaged by fire or casualty insured against, or taken in whole or in part by eminent domain, then Owner shall, unless Owner has previously restored the Premises to their former condition either: (a) pay over or assign to Authority, on delivery of the deed, all amounts recovered or recoverable on account of such insurance or award for taking, less any amounts reasonably expended by Owner for any partial restoration; or (b) if a holder

of a mortgage on the Premises (to the extent such holder has an interest in the proceeds or award) shall not permit the insurance proceeds or award or any part thereof to be used to restore the Premises to their former condition or to be so paid over or assigned give Authority a credit against the purchase price, on delivery of the deed, equal to said amounts so recovered or recoverable and retained by the holder of the said mortgage less any amounts reasonably expended by Owner for any partial restoration. Nothing contained herein as to Owner's obligation to remove defects in title or to make conveyance or to deliver possession of the Premises in accordance with the terms hereof, as to use of proceeds to clear title or as to Authority's election to take title, nor anything else in this deed, shall be deemed to waive, impair or otherwise affect the priority of Authority's Option over matters appearing of record, or occurring, at any time after the recording of this deed, all such matters so appearing or occurring being subject and subordinate in all events to the Option.

15. Option Price. The agreed purchase price for Affordable Unit upon the exercise by the Authority of its option to purchase is the maximum resale price for the Unit as defined in this covenant.

16. Proceeds from Casualty or Taking or Abandonment of Condominium Regime. If an Affordable Unit is destroyed by fire or other casualty and not rebuilt, or if it is taken by eminent domain, or if an Affordable Unit ceases to be a separate ownership unit by reason of abandonment of a condominium regime or cooperative plan followed by a sale of the entire building with the proceeds of sale being distributed to the former unit owners, then all proceeds of insurance or condemnation award or sale in excess of the maximum resale price shall be the property of the Authority as compensation for the loss of the benefit of this covenant.

17. Notice. Any notice or other communication required or permitted to be given under this covenant must be in writing and shall be effective when received by the party to whom it is addressed or four business days after mailing by registered or certified mail return receipt requested. Notices and communications to the Authority shall be sent to the Authority at City Hall, Boston, Massachusetts 02115, Attention: Affordable Housing Plan Administrator, or to the Agent. Notices and other communications to the Owner shall be sent to the address stated in the deed as the Owner's address or to the address of the owner of the premises as shown on the tax assessment roll of the City of Boston. Either party by notice to the other may designate a different address to which notices shall thereafter be sent.

18. Covenants to Run With the Land. It is intended and agreed that the agreements, covenants and restrictions (but not the option to purchase, which is for the term stated above) set forth in this covenant shall run with the land constituting premises and shall be binding upon the Owner, its successors and assigns, for the benefit of and shall be enforceable by the Authority and its successors and assigns, for a period of thirty years from the date of the deed, unless a notice of restriction is recorded by the Authority or its successors and assigns before the expiration of thirty years from the date of the deed in which case the agreements, covenants and restrictions shall continue for twenty years from the date of recording such notice of restriction. It is further agreed that the reservation or grant of the agreements, covenants and restrictions contained herein are for public and charitable purposes.

19. Appointment of Agent. The Authority may from time to time appoint and revoke the appointment of one or more agents who shall have the power to issue certificates as provided herein and to exercise and enforce the rights of the Authority as provided herein. Such appointments shall be made and revoked only by instrument in writing recorded in the Suffolk Registry of Deeds. No such instrument of appointment or revocation of appointment shall be effective unless it expressly refers to this covenant.

20. Enforcement. Without limitation on any other rights or remedies of the Authority, its successors or assigns, in the event of any rental or occupancy or sale or other transfer or conveyance of any Affordable Unit in violation of the provisions of this Covenant, the Authority shall be entitled to the following remedies, which shall be cumulative and not mutually exclusive:

- (a) specific performance of the provisions of this Covenant;
- (b) voiding of the conveyance or rental that violates this Covenant;
- (c) money damages for charges in excess of maximum rents or maximum resale prices;
- (d) money damages for the cost of creating or obtaining other dwelling units to fulfill the need for affordable housing by low income and moderate income households;
- (e) if the violation is a sale of an Affordable Unit at a price greater than the maximum resale price as

provided herein, the Authority shall have the option to purchase the Affordable Unit on the same terms and conditions as provided herein for the exercise of its option to purchase, except that the purchase price shall be the price paid in a conveyance that complied with the provisions of this Covenant.

If any action is brought to enforce this Covenant, the prevailing party shall be entitled to actual attorneys fees and other costs of bringing the action, in addition to any other relief or remedy to which such party may be entitled.

21. Third-Party Beneficiaries. The covenants as to maximum rent and maximum resale price may be enforced by any tenant or purchaser of an Affordable Unit.

22. Inconsistent Provisions. If any provision of this covenant is inconsistent with any express provision of the deed into which this covenant is incorporated, then the express provision of the deed shall prevail.

23. Captions Not Binding. Captions for sections have been inserted for convenient reference and are not to be construed to limit or modify the provisions of this covenant.

24. Severability. If any provision of this covenant is held to be invalid by any decision of any court of competent jurisdiction in an action in which the Authority is a party, such decision shall not impair or otherwise affect any other provision of this covenant.

MEMORANDUM

January 8, 1987

TO: BOSTON REDEVELOPMENT AUTHORITY AND
STEPHEN COYLE, DIRECTOR

FROM: JOHN R. LEIGH, ASSISTANT DIRECTOR
HARBOR PLANNING AND DEVELOPMENT
JAMES F. ENGLISH, DEPUTY DIRECTOR
LAWRENCE E. BROPHY, SENIOR HOUSING PLANNER

SUBJECT: CHARLESTOWN NAVY YARD, PARCEL 4A1;
TENTATIVE DESIGNATION OF REDEVELOPER,
AUTHORIZATION TO EXECUTE A LAND DISPOSITION AGREEMENT

On June 12, 1986, the Authority voted to approve the transfer of a portion of the interest of Immobiliare New England in Parcel 4A at the Charlestown Navy Yard to a joint venture involving Immobiliare New England and the Bricklayers and Laborers Non-Profit Housing Corporation for the construction of 39 units of affordably priced housing.

Since that vote, Authority staff have been negotiating with representatives of both INE and BLNPHC toward the goal of maximizing affordable housing opportunities on the site and ensuring that the project proceeds in an expeditious fashion.

These discussions have led to the completion of a new design for the site by William Rawn Associates, project architect, which produces 49 attractive units on a site of approximately 26,296 square feet. These discussions have also led to a joint decision by the parties that the project should be undertaken with BLNPHC as the developer rather than the joint venture arrangement envisioned by the June 12, 1986 vote of the Authority. To that end, a tripartite Land Disposition Agreement has been drafted which will effectuate this transfer to BLNPHC.

It should be noted that the June 12, 1986 vote of the Authority recognized the necessity of a financial contribution to the project by Immobiliare. To this end the Authority approved the execution of an agreement which would acknowledge the deferral of payment by Immobiliare of up to fifty percent of the proceeds due the Authority from the sale of units at Pier 7. The amount thus deferred could be used to support the costs of the Bricklayers project. As the project has become more clearly defined, the amount of this gap in project financing has been identified as totalling \$866,984. This total is the result of a subsidy of approximately \$13,000 per unit plus an additional sum necessary to cover the cost of artificial slate roof and granite veneer on the buildings' facade. In order to accomodate this deferral of payment, the Land Disposition Agreement, as drafted, recognizes the advancement to the project of this amount of money to be paid from Immobiliare's obligations to the Authority from the units sold at the Pier 7 project.

Immobiliare has agreed to repay the amount thus deferred, plus interest due thereon, out of the proceeds of the sale of additional units constructed and sold at either Parcel 4A or Pier 5, whichever occurs first.

In order to pursue the project under this scenario, it is recommended that the Bricklayers and Laborers Non-Profit Housing Corporation be granted Tentative Designation as redevelopers of Parcel 4A1 at the Charlestown Navy Yard and that the Director be authorized to execute a Land Disposition Agreement between the Authority, BLNPHC Inc. and Immobiliare New England pursuant to the development of this parcel.

An appropriate resolution is attached:

